

OVERSEAS NEWS

Sikhs protest against plans for Golden Temple

BY JOHN ELLIOTT IN NEW DELHI

INDIAN GOVERNMENT plans to start clearing an area up to 300 metres wide around the Golden Temple in Amritsar, which has been used as an armed fortress twice in the last four years by extremist Sikhs, into problems yesterday when local Sikh leaders staged protests...

Hawke compromises over divisive issues

BY CHRIS SHERWELL IN SYDNEY

AUSTRALIA'S ruling Labor party yesterday papered over a damaging public split by forging two awkward compromises over the highly sensitive issues of privatisation and uranium.

exports to France under existing contracts. The move follows a controversial decision by the Labor Government in 1986 allowing previously agreed uranium contracts with France to be honoured.

Rafsanjani keeps role of Speaker

By Richard Johns

Mr Ali Akbar Hashemi Rafsanjani, recently appointed by Ayatollah Khomeini as acting Commander in Chief of the armed forces, has been re-elected as Speaker of the Majlis (parliament).

PLO alarms summit leaders

BY ANDREW GOWERS IN ALGIERS

THE PALESTINE Liberation Organisation yesterday fired an embarrassing shot across the bows of Arab leaders meeting in Algiers by calling on states surrounding Israel to open their borders to allow Palestinian attacks on Israel from their territory.

PLO alarms summit leaders

BY ANDREW GOWERS IN ALGIERS

as a launching pad for attacks on Israel was more an opening gambit than a serious proposal, the mere mention of such an idea will alarm Jordan and Syria.

Chinese students plan pro-democracy sit-in

BY ROBERT THOMSON

CHINESE students have promised to stage a pro-democracy sit-in today at Tiananmen Square following a series of late-night campus meetings at which hundreds of students condemned corruption in the Communist Party and called for greater individual freedoms.

Key ministers retain posts in new Afghan Cabinet

BY OUR FOREIGN STAFF

AFGHANISTAN'S new Prime Minister named a Cabinet yesterday in which President Najibullah's People's Democratic Party (PDP) retained key posts after a long internal power struggle.

Philippine Senate passes measure to bar N-ships

BY RICHARD GOURLAY IN MANILA

THE Philippine Senate has approved a bill which would ban nuclear weapons and nuclear powered ships from the country in a move designed by its authors to hasten the closure of two strategic US military bases.

Mayor in West Bank stabbed as 'collaborator'

By Andrew Whitley in Jerusalem

THE ISRAELI-appointed mayor of the West Bank town of El Bich was stabbed and seriously wounded yesterday, marking an escalation in the underground Palestinian leadership's largely unreported war against those accused of collaborating with Israel.

Postipankki Ltd. East-West project know-how for sale

By Victor Thorne, Helsinki

Solidly strong in the bond markets, well versed in the arts of currency swapping and the intricacies of financial engineering, and with its third bond issue for the World Bank under way... Finland's revitalised Postipankki Group has sound references to trade on.

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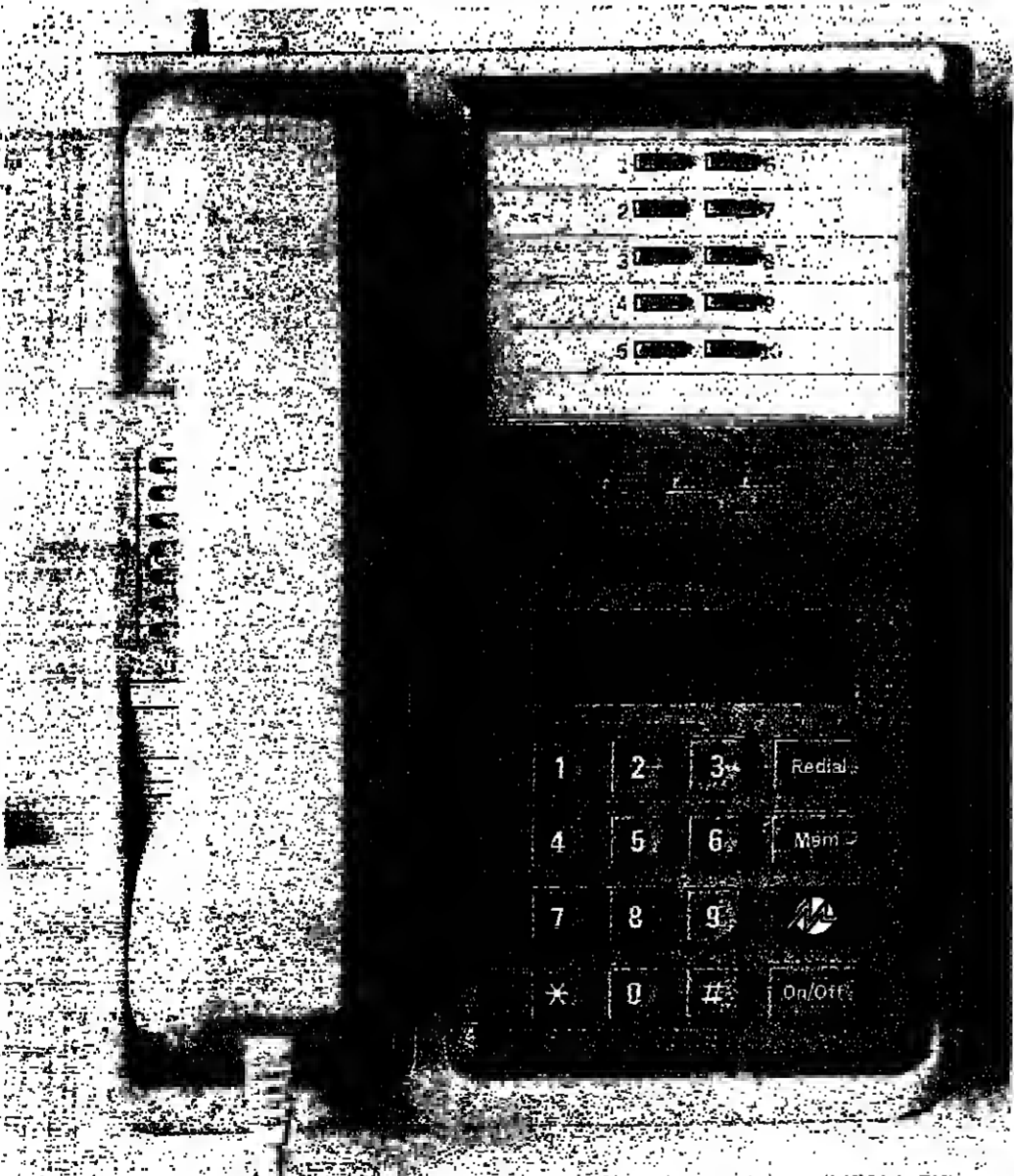
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MANAGEMENT

SENIOR MANAGERS at one of Merseyside's biggest employers study their annual performance plans and see that they must achieve output of at least 1988 units of a particular product.

Nothing unusual, except that these managers work in Britain's National Health Service and the product is hip replacements. They have similar specific targets to meet in areas ranging from open heart surgery to whooping cough immunisation, as well as many more general policy objectives.

The managers in the Mersey Regional Health Authority, like senior colleagues throughout the NHS, know that this is not just an exercise in window dressing for public relations purposes. Their individual performance appraisal - and increasingly their pay - depends on the targets being met.

Whatever else comes out of the current NHS review being conducted by the Government, it is guaranteed to reiterate the need to raise efficiency. But so far as the service's management is concerned considerable progress is already being made.

The NHS management structure underwent a period of immense change in the wake of the 1983 Griffiths Report on NHS management which led to the replacement of committee-style consensus management with a more conventional system of general management.

Since then, the new general managers have not simply been left to get on with it. A structure of individual performance review and performance related pay has been developed as part of a programme to sharpen up the service which the NHS delivers to its customers, the patients.

Len Peach, an IBM executive on secondment to the Government as chief executive of the NHS management board, sees individual performance review and performance related pay as essential elements in a drive to change the very culture of the NHS - above all to give it a culture which is, like any conventional business, concerned with outputs.

Targets

For this reason, the targets set in performance review exercises include particularly clear and specific ones. "The weakness of individual performance review in many organisations is that the review process is remote from what the organisations are actually trying to do," says Peach. "In the NHS we are very clearly harnessing the review priorities to what we need to achieve."



Len Peach: Health service managers are to be judged "not on whether they took the actions but whether they met the objective. It is the result that counts"

Health service pay put to performance test

Alan Pike reports that considerable progress is already being made to raise management efficiency

Managers on how the latest round of the review should be conducted following a study by Kingsley Lord, management consultants, of experience so far.

He begins by stressing that objectives are more important than process. "While it is helpful for managers to be clear about the action steps towards a particular objective, they are to be judged not on whether they took the actions but whether they met the objective. It is the result that counts."

Other key points emphasised by Peach, which reveal much of his philosophy about motivating the NHS's huge management team, include:

● The need for objectives to be assessable with, where possible, quantitative measures of success or failure. "Managers cannot be held accountable for objectives which have no criteria of success."

● The importance of performance plans covering all aspects of the manager's job. "Everything that managers do should bear on some objective of their job, otherwise it is redundant activity."

● Making managers accountable for all outputs, even in areas where they may not have full control. "Even where a manager

does not have direct control it may be his duty to seek to influence."

● Giving more weight to management development and training. "If managers see no need to learn and grow the scope for improving the performance of the organisation is limited. Managers who think they have all the skills they need will soon reach the limits of their contribution."

Peach rejects the complaint which has come back to him from some managers that they can hardly be expected to have sharp objectives while the priorities of the NHS itself are somewhat hazy and under review. "The problem is to a degree a feature of any organisation which has to adapt to changing circumstances," he says.

While much of the stress is on performance which can be measured in a precise way, the review procedure is not limited to this, it could not be, because it is far from the limit of an NHS manager's job.

"There would be something wrong in a district if a manager kept doing things which led to surprised reactions from local Members of Parliament," says Peach. "So keeping MPs informed obviously forms part of the job and is subject to review. We are

looking for a good balance across the total requirements of the job."

NHS managers face many of the same problems and decisions and those in other organisations. But they function in a public and political display case with a commodity - human life - which can be subject to highly emotive media manipulation.

These pressures, plus others like the added complications of managing highly professional medical and scientific groups, mean, says Stephen Taylor, a director of Kingsley Lord who took part in the consultants' study of the NHS review system, that "you have to be impressed by the high quality of manager he has met in the NHS compared with their counterparts elsewhere, a view which Peach shares."

But part of Peach's problem is to give these people, whatever their individual talents, a sense of corporate identity in a vast service where identification with a particular health authority, hospital or function comes far more easily.

He believes that the review process, with broad objectives from the NHS management board

handed down for detailed implementation in the regions and districts, is helping to produce the greater sense of identity with the wider organisation. The Kingsley Lord investigation showed strong support among managers across the country for the principle of setting objectives and assessing performance, even if some were not overjoyed about their own initial performance ratings.

Under the review process, the 14 regional general managers are reviewed by their chairman with Peach personally acting as assessor, or grandparent as he describes the role. District general managers are reviewed by district chairmen and assessed by regional chairmen, while unit general managers are reviewed by their district general managers with regional general managers assessing. Introduction of the system has been accompanied by specially designed training for all involved.

The review process ends with managers being banded into one of five grades ranging from band 1 - "consistently exceeds basic short-term objectives and makes excellent progress towards long-term goals," to band 5 - "summed up in a single curt 'unsatisfactory'."

On the first round of the review system the assessment of regional managers produced scores ranging from 1 to 4. But in the latest round this gap has narrowed partly because, Peach is convinced, the system has the effect of raising standards.

Managers on the top three grades receive performance related pay in the form of annual merit additions of up to 4 per cent. Unsatisfactory performers on band 5 are frozen at their current salary levels pending improvement or departure.

Review

At present the most successful managers can add a maximum of 20 per cent to their basic salaries - which are £37,275 for a regional general manager and up to £35,176 for a district general manager - over five years. Peach does not believe a 20 per cent performance increment is sufficient and would like performance related pay representing 30 to 50 per cent of salary.

He also wants to see individual performance review and performance related pay extended further into the management structure of the service. The NHS's 8,000 middle managers are the next obvious group, and some of them are ageing far too young. But it need not end there. There are, including supervisors, some 40,000 people with managerial responsibilities in the NHS - more than the total workforce of many a large company.

Takeovers and mergers

Strike while the iron's hot

Michael Skapinker on a study of post-acquisition strategies

"SOMEHOW we never seemed to get it right," said one senior American executive, ruefully recalling his company's experience of acquisitions.

The Americans had high hopes for their new purchases. Somehow things did not work out as they should have done.

The potential of the acquisition had always been hyped by whoever was championing the idea, and the result was that the objectives were always set far too high. We usually ended up divesting again," he said.

The executive is quoted in a new report called Making Acquisitions Work: Lessons From Companies' Successes and Mistakes.

Published by Business International, it is based on over 40 interviews with executives in both acquiring and acquired companies, as well as 150 replies to a mail questionnaire.

Some of those interviewed wished they had never embarked on the purchase of the companies they ended up owning. Others, however, had become master acquirers.

The latter group, the report says, work to a couple of basic rules. These are: plan first, implement quickly, communicate frankly, and act correctly.

Prior planning is essential, the report says. The successful purchasers know how they are going to handle an acquisition before the deal is closed. "If you don't know what you are going to do, don't do it," the report says.

The practiced acquirers have, for a start, already analysed the reasons for the success or failure of the company they are buying. This analysis, in turn, influences the way they act in the period immediately after the takeover.

The acquired company's success might, for example, have been based on the close relationship that one or two key managers have with their customers. If these managers are dismissed, "a good revenue base can disappear like the morning mist," the report says.

It is just as important to understand why the acquired company has been underperforming. It might, for instance, have been hampered by the excessive reporting requirements demanded by its previous parent company.

"A classic case here is the sale of Remington Shaver to the entrepreneur Victor Kiam. The company had a first-class product

but high overheads," the report says. "Many of these overheads were people largely concerned with providing information to and answering questions from headquarters."

Once the acquisition is completed, the report identifies two schools of thought on what the school believes in quick and decisive action. Whichever organisational and personnel plans the purchasing company has for its acquisition should be put into effect immediately.

The principal argument in favour of instant action is that everyone in the acquired company expects it. "Delay," the report says, "merely prolongs speculation."

An opposing second school believes in spending time stating the case before taking any action. Advocates of this approach argue that a better understanding of the new company will prevent early mistakes being made.

Action favoured

After listening to both sides, the authors of the report come down in favour of immediate action. "There are always mistakes made, but it seemed to us that the more carefully considered mistakes were often worse, and were compounded by delay."

A crucial post-acquisition decision is what to do with the management of the acquired company. The report points out that while this might not be uppermost in the minds of the purchasers, it will certainly be the prime concern of the acquired management.

Various options are available here, from putting in a new chief executive and chief financial officer to leaving the existing management untouched. Successful acquirers tend to put at least some of their own people into the acquired company. This decision, says the report, should be made at the outset.

A second vital issue is that of communication. "Under-communicating is probably the single most important cause of poor motivation, general discontent and further generation in all managers. Even experienced veterans sometimes fail to realise the degree to which the thrill for information is heightened by an acquisition," the report says.

A ceremonial visit by the chief executive of the purchasing company is not enough, the report says. Successful acquirers ensure that they communicate with their own employees, employees in the acquired company, governments and local authorities, the press, shareholders, customers and distributors.

Generally, their communication programmes include the following elements: a clear statement of the reason for the merger and the benefits that are expected to flow from it; the immediate organisational changes that will follow; and the acquiring company's thinking and policy on redundancies and cutbacks.

The report found that the companies interviewed differed on the extent to which the acquired company should be integrated into the purchasing organisation. As many as 40 per cent of the respondents believed that the acquired company should not be integrated to any substantial degree.

The report says that, apart from cultural problems associated with integration, the stand-alone approach has other advantages.

One is simplicity. The acquired management's responsibility for performance is not in doubt. "The results can be measured and are not lost in the octopus ink of an integrated company."

Arguments against the stand-alone strategy are that it offers few savings from integrating departments, few economies of scale, and, in the end, few reasons for buying the company.

There are successful acquirers on both sides of this argument, the report notes. All of them agree, however, that, at the very least, the parent company's financial control system must be installed.

Whichever approach is adopted, acquisitions usually mean redundancy for at least some of the acquired company's staff. The report notes that "a company's behaviour during the integration process will affect both the price and the difficulty encountered in future acquisitions. Word of the way a company acts gets around, especially in the same industry. Other entrepreneurs may feel diffident about selling to a company that tears with its teeth."

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UK NEWS

EDUCATION SECRETARY DRAWS THE LINE ON A-LEVEL REFORM

Proposals on 18-plus exam rejected

BY DAVID THOMAS, EDUCATION CORRESPONDENT

THE GOVERNMENT yesterday rejected the central recommendation of an official committee on the reform of the A-level examination which would have meant most pupils taking five subjects (instead of the present usual maximum of three) at age 18.

The committee, chaired by Professor Gordon Higginson, vice-chancellor of Southampton University, recommended in its report published yesterday that the material covered by existing A-levels should be slimmed down so that its proposed broader sixth form syllabus could be introduced.

The committee, which was appointed last year, said: "In the evidence presented to us from all sides of industry, commerce and education, there was overwhelming support for increased breadth in the programmes of A-level students."

However, Mr Kenneth Baker, Education Secretary, told the House of Commons: "The Government endorses the general aim of broadening A-level students' programmes of study but does not accept the Committee's proposals for achieving that objective through a five-subject programme incorporating learner A-level syllabuses."

The Higginson committee recommended that final year pupils would in future take a mixture of AS levels, which fall mid-way



Mr Baker: A levels to stay for the time being

between A-levels and the new GCSE exam (generally taken at age 16), and the proposed slimmed-down A-level. Five subjects would be the norm and the brightest pupils would be free to take five of the new A-levels.

The committee argued that this reform would encourage many more pupils to take a mixture of arts and science subjects in the final year, although they would be still free to choose entirely from one category. The committee also recommended a new type of AS subject, such as maths-for-humanities, designed to bridge the gap.

Department of Education and Science officials said the Government was concerned that Higginson's central recommendation would overload schools when they were already in the middle of wide-ranging reforms. Ministers are also apparently worried that it might have reduced standards.

The Government is putting its faith on the new AS examinations as a means of broadening final year study. However, Professor Higginson's committee dismissed this suggestion, arguing that the brightest children would continue to study three A-levels unless the A-level was itself reformed.

Professor Higginson, who said that the best students were not stretched in the sixth form at present, also argued that his proposals would enhance standards by encouraging students to take a wider range of subjects.

He believed employers and the educational world would be very disappointed by the Government's rejection of the proposal. Britain's vice-chancellors, the Secondary Heads' Association and the Head Masters' Conference, representing the public schools, had all submitted evidence calling for reform.

The committee argued it was illogical to maintain narrowly specialised A-levels now that the 16-plus examination had been

made more broadly based through the new GCSE. However, it found little evidence to support the contention of some academics that a five-subject final-year curriculum would require most degree courses to be lengthened by a year.

The Higginson report also made a large number of subsidiary recommendations, including ones that would provide pupils with more information about their performance than just the grade mark, rationalise the large number of existing A-level syllabuses and increase the weight accorded to skills such as oral presentation in the A-level examination.

● The Government yesterday accepted detailed recommendations made by an official committee in January under the chairmanship of Professor Paul Black of London University, for a system of assessing children's progress in the new national curriculum.

● The Inner London Education Authority and 10 Labour-controlled London boroughs have agreed a timetable for transferring to the boroughs the functions of the ILEA, which the Government intends to abolish in 1990. The boroughs' initial plans will be put out to public consultation in September.

Advancing A Levels. HMSO, £3.50.

Dole reforms 'caused dramatic surge' in London's homeless

BY JOHN LLOYD

A "SUDDEN and dramatic surge" in the numbers of homeless young people on the streets of London has resulted from social security reforms implemented in April, according to Centrepoint Soho, the youth charity.

Mr Nick Hardwick, Centrepoint's director, said that the numbers of homeless young people seeking lodging at the charity's night shelter in Soho, central London, had increased by 25 per cent since April. The increase was, he said, an "unintentional result of the changes."

Since April 11, young people claiming accommodation expenses have had to do so two weeks in arrears. Mr Hardwick said that a personal survey of a

number of bed and breakfast hoteliers in Central London convinced him that none would accept payment for their accommodation two weeks after stay began.

Mr Hardwick was speaking at the launch of a survey of youth homelessness in London, done for Centrepoint by Birmingham University researchers.

The report describes a growing problem composed of homelessness, unemployment, petty crime, drug and alcohol abuse and prostitution. "The streets of London are dangerous for these young people," he said.

The launch of the report was supported by three London members of parliament from the main

parties: Mr Simon Hughes (Liberal), Mr Clive Soley (Labour) and Sir George Young (Conservative).

Centrepoint has called for three urgent reforms to alleviate the worsening plight of the 50,000 16-19 year olds who are now without secure homes in the capital. These are:

- Payment in advance for lodgings
- Greater care by local authorities for teenagers no longer in local authority care, and who find it hard to fend for themselves
- Much better co-ordination between Government departments and local authorities, leading to the establishment of a task force on the homeless young



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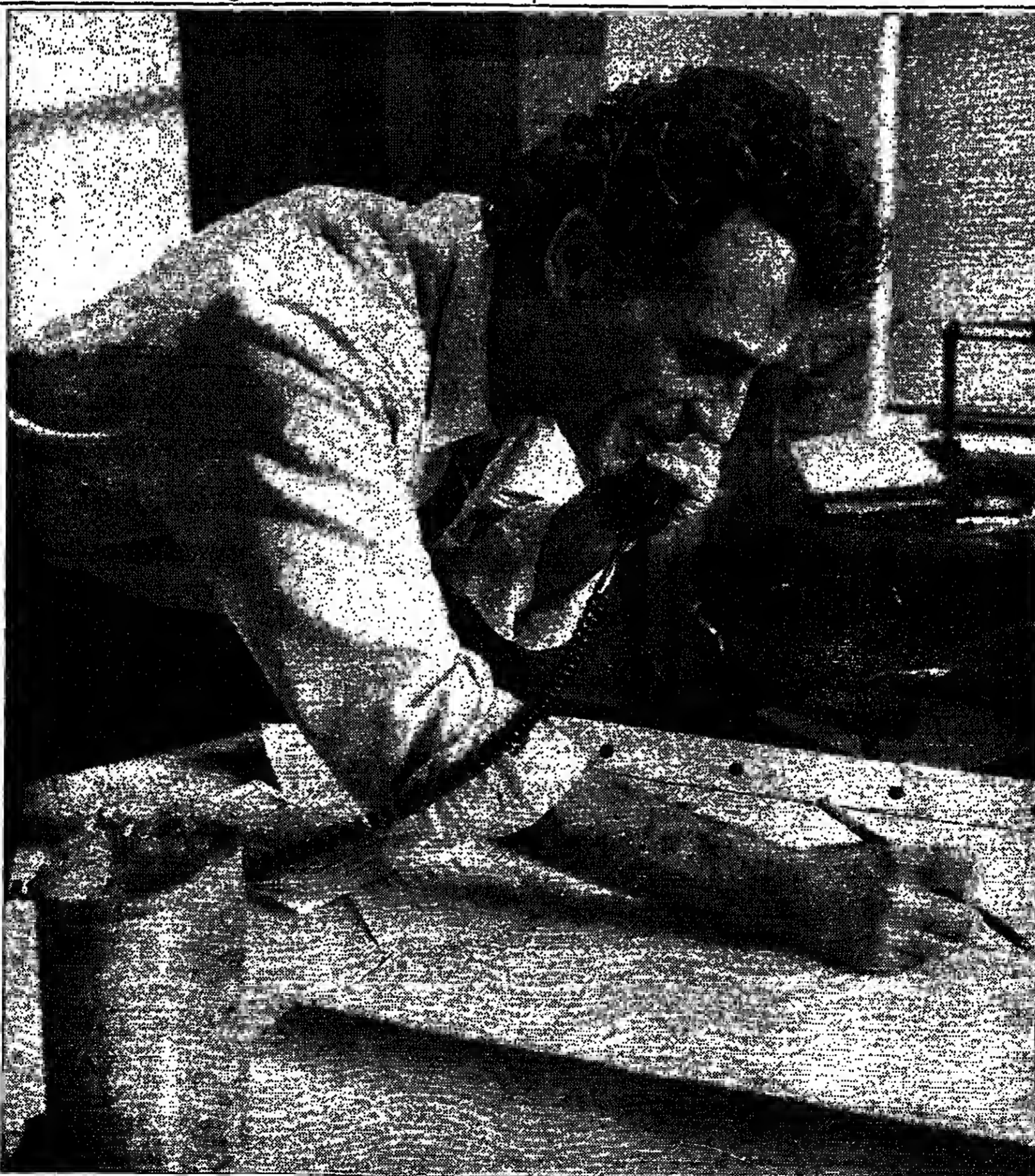
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Maxwell leads joint satellite TV consortium

MAXWELL COMMUNICATIONS, British Telecom and WH Smith have decided to market satellite television jointly, a move intended to give them an advantage over their main rivals, Mr Rupert Murdoch's News International and British Satellite Broadcasting.

As a result of the decision, the Maxwell consortium will, from next year, will be offering viewers a package of six TV channels. This compares with up to four channels from Mr Murdoch and three from BSB.

The Maxwell consortium said it was planning to broadcast in D-Mac, the new high-quality European broadcasting standard.

BSB, one of whose major shareholders is Pearson, the owner of the Financial Times, will also be transmitting in D-Mac. News International, however, is expected to announce today that it will be transmitting in PAL, an older and less sophisticated standard.

One consequence of the different standards will be that Murdoch's viewers will not be able to receive our signals, but our viewers will be able to receive Murdoch's signals," said Mr Francis Barron, managing director of WH Smith Television.

"The punter is going to want equipment that is going to receive the maximum number of channels, not the minimum number."

Against this, however, technology for the D-Mac standard will not be ready until the middle of next year and it seems likely that News International will be transmitting its channels direct to people's homes at least six months before its rivals.

News International is expected to confirm today that it has already reserved space for this purpose on the Astra satellite, which will be launched in November. If refused, however, to make any comment yesterday.

The joint marketing agreement covers six UK TV channels, which are presently distributed mainly via cable TV: the Premier film and Home Video channels, both jointly owned by Maxwell Communications and BT; MTV, in which Maxwell Communications is a shareholder; Children's channel, owned by BT; and Screensport and Lifestyle, owned by WH Smith.

Gibraltar acts to protect BCI funds

BY CLIVE WOLMAN

A GIBRALTAR court yesterday appointed a provisional liquidator to safeguard what remains of the £130m that clients invested in Barlow Clowes International, the Gibraltar associate of Barlow Clowes Gilt Managers, the investment company currently being wound up by the UK regulatory authorities.

The Gibraltar move came amid fears that a third of the money may not be recoverable easily, if at all. BCI attracted about 11,000 clients mainly from the UK.

Mr Peter Clowes, who set up the Barlow Clowes operations in 1973, yesterday resigned as chairman and chief executive of James Ferguson Holdings, the Stock Exchange listed parent of both Barlow Clowes companies. This, he said, would allow him to concentrate on assisting the two accountancy firms, Cork Gully and Ernst & Whinney, which will be acting as the special managers and liquidators of the UK and Gibraltar companies respectively.

Mr Clowes has abandoned his earlier commitment to challenge in the courts the winding-up petition presented 12 days ago by the Securities and Investments Board, the chief City regulatory body.

He now faces the possibility of fraud charges in view of the serious allegations of malpractice made against him by the SIB in its UK court application for winding up.

Mr Clowes has been accused of falsifying his clients' account records by backdating computer entries, of creating of excessive management fees from his clients' fund without telling them and of several breaches of his firms' contracts with their clients.

In spite of the high fees - 1.5 per cent of assets per year - the SIB found that the firm's annual operating expenses of £1.4m to £1.5m were more than £1m greater than its income. However it found that, according to the management accounts, the shortfall was made up by a £1m payment whose nature and source, according to the SIB court documents, were "not certain".

One of the most serious allegations is that the promotional literature and the application forms for Barlow Clowes' Gibraltar-based "portfolio 68" say: "Absolute security is provided because your portfolio will always be in a British Government Stock or on deposit with a Bank, Local Authority or other Corporation."

Mr Clowes admitted on Monday to a meeting of financial advisers that only two-thirds of his clients' £130m was held in

this form with the remaining £43m apparently being lent to various entities which Mr Clowes refused to identify.

Mr Stanley Wright, the new James Ferguson chairman, said yesterday his company had initiated on Monday the appointment of a provisional liquidator in Gibraltar.

Several insurance brokers and other financial advisers which invested their clients' money with Barlow Clowes face a knock-on threat of insolvency because of claims against them for negligence. Two firms alone are known to have placed more than £50m of clients' money in the Gibraltar fund and £24m in the UK fund. Many of the firms' professional indemnity policies do not cover money invested with Barlow Clowes.

Meanwhile Mr Michael Jordan of Cork Gully, the special manager of the UK company, said yesterday that on the basis of the evidence so far available any shortfall of assets in the UK fund was likely to be small.

The market value of the fund's gilt portfolio and its cash was £51.5m on May 23 compared with possible claims by investors of up to £52.9m. If there were no complications, he said, the assets could be returned to between 80 and 90 per cent of investors

within two or three months, with the rest being paid later.

However, the deficiency may become much larger because of the liquidator's and other professional fees and, more important, because of further claims against the fund. These may arise if the Inland Revenue finds that the fund has failed to administer in a technically correct fashion its complex gilt trading tax avoidance scheme, or from the investors in the Gibraltar fund.

Suspicious remain that the assets of the two funds may have been mingled and that money may have been extracted from the Gibraltar clients to pay the UK ones.

In particular, between £7m and £14m of the UK fund was diverted, possibly illegally, to Geneva in about 1986 but returned with a surplus in January, two months after Department of Trade and Industry inspectors launched their inquiry into the firm. The failure of the firm's auditors at the time, Spicer and Pegler, to note the diversion is remarked on in the SIB court documents.

The money of investors in the Gibraltar fund was also passed through Geneva, at least until recently. Mr Clowes however has consistently denied any mingling of the funds.

Electricians launch moves to quit TUC

BY CHARLES LEADBEATER, LABOUR CORRESPONDENT

THE EETPU electricians' union yesterday launched its campaign to persuade its 230,000 members to vote in effect to leave the Trades Union Congress, creating a split in the union movement.

In an unprecedented attack on the TUC and its main general unions, the EETPU warned that it expected to join other non-TUC unions to form a breakaway trade union centre.

Most of this month's issue of the EETPU journal, Contact, is devoted to leadership calls for members to vote for the move in the secret postal ballot, which is due to start on June 19th, to be completed by mid-July.

The ballot was called after the union refused to follow TUC instructions to drop two single-union, strike-free agreements.

The TUC general council is expected to take disciplinary action later this month against the union over the issue, which is likely to lead to its expulsion.

The electricians' departure from the TUC would be the biggest split in union history. The creation of an alternative trade union centre could have far-reaching industrial and political consequences.

The electricians' attack, which virtually rules out any hopes of conciliation, leaves the TUC increasingly beleaguered.

An editorial on the EETPU journal's front page says: "Our union can no longer ignore the mixture of stupidity, cowardice and malevolence that underlies attempts to penalise us and especially to wreck single-union, strike-free agreements, freely negotiated by our members."

A proposed common union code covering these agreements would virtually outlaw them by TUC diktat, the editorial argues. The union will face considerable difficulties outside the TUC, it says.

Review urges radical changes to civil law

BY CELIA HAMPTON

RADICAL changes in English court procedure for civil cases were urged yesterday by the Civil Justice Review, set up three years ago by the Lord Chancellor Lord MacKay to tackle the cost and delay of English civil litigation.

The wide-ranging review, published yesterday, also proposed changes in the jurisdictional limits under which cases can be heard in the county courts. The aim would be to speed the disposal of civil litigation by reducing the number of cases needing to go to the High Court.

The review also calls for lawyers to advertise their charges more widely so that litigants can make a reasonable choice between competitors in an open market for legal services.

The High Court is currently heavily congested with a mass of cases, many of which could be handled by the cheaper and quicker county court. The

review suggests removing the current £5,000 financial limit on the county courts' powers and restricting the High Court to "substantial, important and complex" cases. The Bar estimates that this could reduce the work of the High Court by 70 per cent.

The idea of forming the two courts into a single civil court was rejected. Instead the review, which received a cautious welcome from the profession, proposes that the two courts would have common rules and trial centres, and that all personal injury cases would start in the county court.

A big shift of cases to the county courts would mean a major reorganisation of court administration, which, while likely to be expensive in time and money, would result in minimal changes in staffing.

The review also envisages a new set of rules covering lawyers' conduct

Daily Mail trust wins support in tax fight

By William Dawkins and Raymond Hughes

DAILY MAIL and General Trust, an investment company with a substantial holding in Associated Newspapers, publishers of the Daily Mail, has won heavily qualified support in the European Court of Justice in its four-year tussle with the UK Treasury over its plan to move its headquarters to the Netherlands to avoid tax.

Advocate General Marco Darnon said yesterday that companies should have the right to move their controlling management anywhere in the EC without first getting their governments' consent.

However, governments should be allowed to require companies to pay tax on accrued gains before migrating, in effect echoing Mr Nigel Lawson, Chancellor of the Exchequer, in his Budget speech in March, when he abolished the requirement for UK companies to seek Treasury consent for a move abroad.

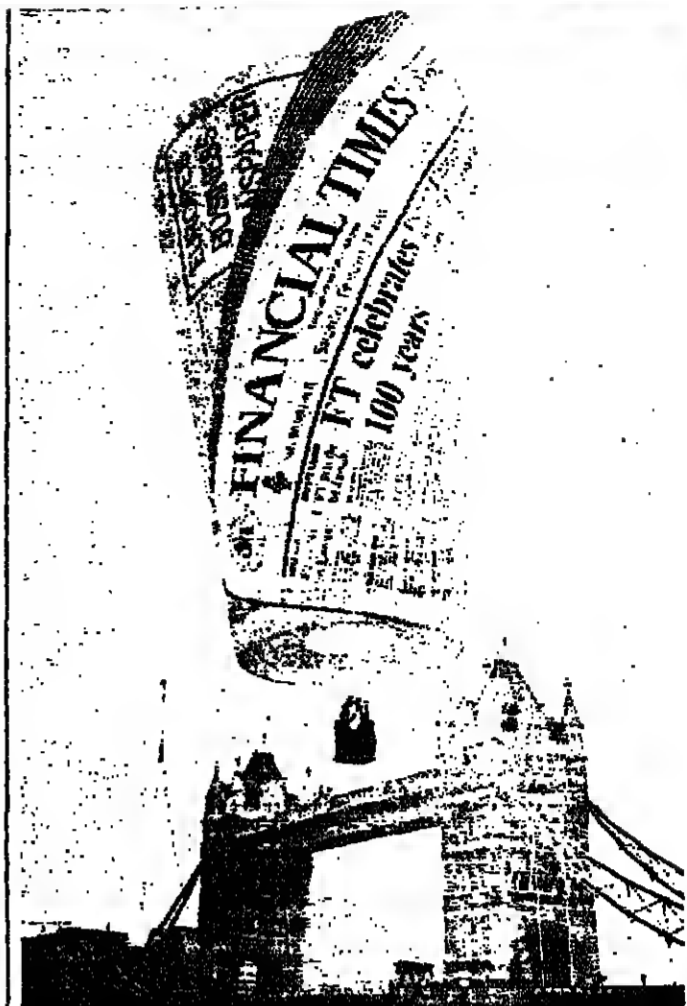
The removal of the consent requirement means that the case is no longer significant for other UK investment companies thinking of migrating to avoid tax. It is, however, regarded as having a bearing on the ability of companies in other EC countries to move about the Community for tax or other commercial reasons.

Mr Darnon was giving the court his opinion on the challenge by Daily Mail and General Trust to the Treasury's refusal of consent to the company's proposal to move its tax base to the Netherlands to avoid a £24.8m (\$45m) UK tax liability on disposals of investments and the repurchase of its own shares.

The court will give its judgment later this year.

The case was referred to the Luxembourg court in February last year for a preliminary ruling on the compatibility of British legislation requiring Treasury consent before companies could leave the UK, with a Treaty of Rome article giving residents of one EC state the right to establish themselves in another.

The case precedes fresh efforts by the European Commission to make it easier for companies to incorporate in other member states.



World's first flying newspaper takes off

THE FINANCIAL TIMES launched the world's biggest newspaper yesterday, a 100 feet high hot air balloon shaped like a giant rolled up FT, writes Lynton McLain.

The balloon was launched in London the day after its designer, Mr Per Lindstrand, broke the world hot air balloon altitude record in the US by reaching 59,700 ft (about 18,200 metres).

Mr Lindstrand also designed the Virgin Atlantic Flyer, the world's biggest hot air balloon, in which he flew the Atlantic with Mr Richard Branson last year, the first time the Atlantic had been crossed in a hot air balloon.

The FT hot air balloon, the only one in the world shaped like a newspaper, is a Financial Times with enormous headlines and stories.

It will fly free for the first time this weekend at the Leeds Castle hot air festival, starting on Friday, near Maidstone in Kent.

Mr Frank Barlow, the chief executive of the Financial Times, said yesterday that the FT had taken the decision to promote itself in this unorthodox but highly visible manner to reflect the newspaper's mood on moving into its second 100 years of publication.

"We believe that, to stay ahead, we must constantly be looking for new ways of marketing the paper and promoting its image as a world leader. Our hot air balloon, like the FT itself, is one of a kind and fulfils that role perfectly."

The FT hot air balloon cost £30,000 and took its designers, engineers and a specially recruited army of artists more than four months to complete. A dozen people worked around the clock in the last month painting by hand the 25,000 letters of text that make up the front page of the world's biggest and only flying newspaper.



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Soft drink market in Britain worth £3bn

By Lisa Wood

BY THE END of 1988, consumers in Britain will spend about £3bn (£4bn) on drinking almost 7bn litres of soft drinks, according to a report published yesterday by Britvic Corona, one of the major UK soft drink manufacturers.

At a time when the coffee market is static and consumption of tea is declining, soft drink sales in the UK are showing annual growth of between 5 per cent and 8 per cent.

Britvic Corona, which is owned by brewers Bass, Whitbread and Allied, along with Pepsi Cola, the US drinks group, expects increased availability of soft drinks, boosted this year by the introduction of more flexible licensing laws in England and Wales, will push total consumption to more than 12m litres by the end of the century.

Carbonates - including colas - account for 49.3 per cent of sales with squashes commanding 36.1 per cent, fruit juices 12.7 per cent, water 1.7 per cent and non-alcoholic 0.2 per cent.

The British soft drinks industry has seen a rationalisation in the past two years with the emergence of two players, Britvic Corona and Coca-Cola & Schweppes Beverages.

Police call for internment on both sides of Irish border

BY OUR BELFAST CORRESPONDENT

MR ALAN WRIGHT, the chairman of the Police Federation for Northern Ireland, yesterday called for the simultaneous introduction of internment on both sides of the Irish border.

Addressing the Federation's annual conference in County Down, Mr Wright said detention without trial would help divorce terrorists from the community. He told the 120 delegates, representing around 12,000 Royal Ulster Constabulary officers up to the rank of chief inspector, that a Royal Commission should be appointed to determine the role of the RUC.

The audience included Mr John Stanley, the junior minister

responsible for law and order in Northern Ireland, who later refused to give any firm commitment on the question of internment.

Mr Stanley said Mr Tom King, the Northern Ireland Secretary, had made it clear after the Buncrana bombing that preventative detention was a measure kept under constant government review.

He added, "We shall continue to work unremittingly to achieve the situation when the chairman of this Federation can say in his annual review that not one of his members has lost his or her life or has been injured in the past year through terrorism."

Mr Wright said the use of reliable intelligence would avoid the pitfalls which internment experienced in the 1970s. He added: "In this jurisdiction it would have to be applied to the hard men on both sides of the community who impair life and property."

"It would also have to be introduced on both sides of the border so that there would be no resting place for displaced fugitives."

Mr Wright said internment over a period might buy time and create the conditions for a political settlement and he said it was imperative that the security forces won the battle to defeat terrorism.

Mitsubishi buys secret cure for baldness

By Peter Marsh

JAPAN, long renowned for its mastery in turning Western inventiveness into big selling products, is attempting something similar with an 86-year-old British recipe for hair-restoring cream.

The Japanese tie-up promises not only to change the lives of balding Japanese males. It should also provide a cash bonanza for Dorothy Gleave Ltd, a five-strong company in Clitheroe, Lancashire, which makes the cream out of a secret concoction based on rum and rosemary.

Mrs Dorothy Gleave, the company's 68-year-old managing director, has concluded a deal with Mitsubishi Corporation, the Japanese trading company, under which the cream will be made in Japan under licence and sold throughout the Far East.

Mrs Gleave, who entered the hair restoring business seven years ago after giving up her job as a polytechnic lecturer, said yesterday she had high hopes that as a result of the deal, millions of 2-oz jars of the cream would be sold a year.

Under the agreement, Mrs Gleave has already received a lump sum of about \$90,000 for handing over the recipe to Japan. She will further receive a royalty payment of roughly 80 US cents for every jar of product sold in the Far East.

As a result of the agreement, the cream, which derives from a recipe invented by Mrs Gleave's grandmother, will be made in Japan by an unnamed chemicals company. Mitsubishi is acting as Mrs Gleave's agent in transferring details of the manufacturing technology to this company, which hopes to have the product on the market by the end of the year.

At present Mrs Gleave's company makes the cream at the rate of about 7,000 jars a week. These contain a mixture of six ingredients - details of which Mrs Gleave wants to keep secret for commercial reasons - and are sold by mail order for about \$23 each. Most of the sales are in the UK, West Germany, Australia, Norway and Iceland.

Mrs Gleave started making the cream in her kitchen before moving to a small factory unit.

According to Mr Ian White, a pharmaceutical industry analyst at Kleinwort Greaveson, a London stockbroker, anti-baldness remedies add up to an area of big potential growth.

He said that of the dozens of hair restoring lotions now on sale, only relatively few work as advertised. The only big-selling product in this area at present is Rogaine, a prescription drug made by Upjohn of the US, sales of which have shot up recently and could reach some \$50m a year in the 1990s, according to estimates.

Mrs Gleave said that already the Japanese appeared to have improved on her product, in the version of the lotion due to go on sale in the Far East. "My version of the cream is a bit greasy but they seem to have found a way of straining out some of the rosemary and making it smoother," she said.

Commercial vehicle sales surge

BY KEVIN DONE, MOTOR INDUSTRY CORRESPONDENT

COMMERCIAL vehicle sales in the UK jumped in May by 23.37 per cent, accelerating further the boom which took sales to a record level last year of more than 312,000 units.

In the first five months of the year, new commercial vehicle registrations were 10.44 per cent higher than a year earlier at 146,198 units. In May alone, sales rose to 29,102 from 23,690 in the same month a year ago.

The market has rebounded strongly from the two-week

strike in February which closed all Ford's UK plants and which helped to cause a temporary drop of nearly 10 per cent in commercial vehicle registrations in March.

According to figures from the Society of Motor Manufacturers and Traders (SMMT), imports increased their share of the UK market to 40.19 per cent in the first five months from 37 per cent a year earlier, although in May alone imports were marginally lower than a year ago at 38.22 per

cent.

In the truck market above 3.5 tonnes, Leyland DAF, the UK subsidiary of DAF of the Netherlands in which Rover Group holds a 40 per cent stake, is still lagging behind Iveco-Ford, the market leader last year, although it outpaced its arch rival in May.

For the first five months Iveco-Ford took 24.4 per cent of the market with unit sales of 6,616 vehicles compared with the 22.3 per cent share held by Leyland DAF with sales of 6,224 units.

Motorola to design chips in Scotland

By James Emlen, Scottish Correspondent

MOTOROLA, the US electronics group, is to open a centre for the design of semiconductors at its manufacturing plant at East Kilbride near Glasgow in Scotland.

The setting up of the design centre, to be in operation before the end of the year, means that the Scottish semiconductor plant will become a fully integrated factory.

The design centre will be responsible for the design of complex integrated circuits in the automotive, consumer and telecommunications markets. The chips will meet standard product requirements rather than serve as application-specific (ASIC) chips, which are integrated circuits tailored to customers' needs.

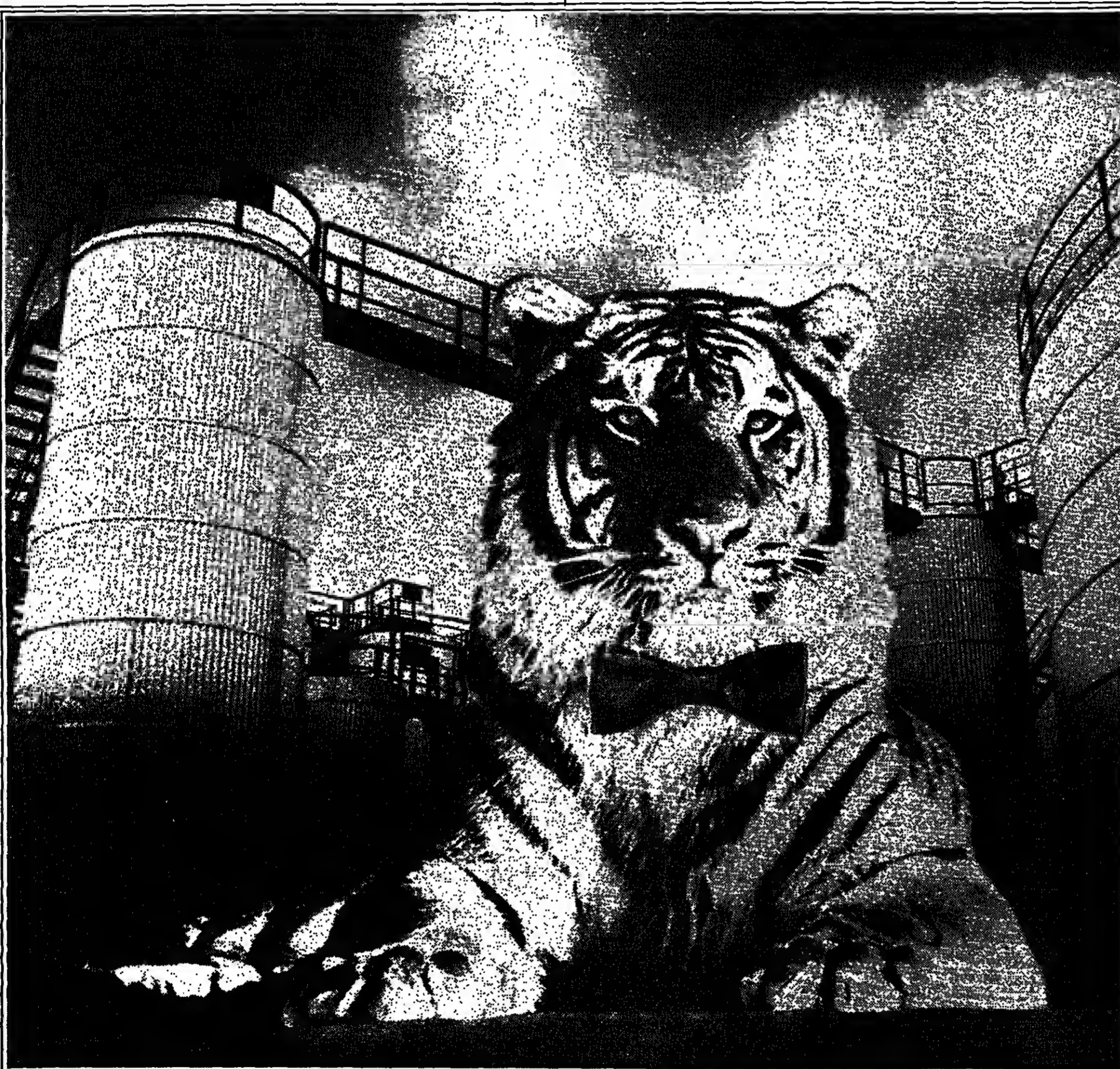
Motorola is investing \$40m (£27m) in a facility at East Kilbride to make one-megabit chips - semiconductors with four times the power of the present generation of memory chips.

The facility, allied to the design centre, means that Motorola will by the end of this year have fulfilled the commitments it gave when it came to East Kilbride 20 years ago.

The company employs more than 1,800 people at East Kilbride and the design centre will employ 30 engineers.

Motorola's principal integrated circuit design centre is at Geneva in Switzerland. Other European plants are being equipped with design centres.

Mr Ian Lang, Scottish Office Industry Minister, said that Motorola's decision was a sign that the Scottish electronics industry, which employs 43,000 people, had come of age.



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TECHNOLOGY

City Hall challenge

By Clive Cookson
WESTMINSTER City Council, which is responsible for public services in much of central London, is installing what is claimed to be one of the most advanced local authority information networks in Europe.

Swapping ideas can make a little money go a long way

Clive Cookson reports on an EC programme designed to facilitate technology transfer

"WE ARE trying to establish an entirely new profession in Europe," says Robin Midge, manager of the European Community's Strategic Programme for Innovation and Technology Transfer, known as Sprint.

The EC launched Sprint as an experimental programme in 1983. The theory was that small and medium-sized companies needed help to find partners in other countries with which they could exchange technology.

Japanese advance for UK consultants

C. ITOH, the leading Japanese trading house, is to represent Scientific Generics (SG), a British research and development consulting group, in Japan.

network with 70 associates. Emanuel says Sprint funding, amounting to only a few thousand pounds a year, has multiplied the amount of work Pax has been able to do with its European partners.

As chairman of the Institute of International Licensing Practitioners, Emanuel knows the field well and he says "there are probably 10 or 12 other lively technology transfer groups in the UK and, as far as I know, all of them are quite small."

Recently the EC brought together all 170 Sprint contractors for a conference in Luxembourg.



Harvesting the whole crop

By Geoffrey Charlsh
MOORFIELD Manufacturing of Kilmarnock, Scotland, plans to produce a tractor-mounted "whole crop" cereal harvesting machine. It will do so under licence from British Technology Group, a self-financing UK public body which has looked after patent protection and commercial exploitation for Moorfield.

great mistake to use Sprint money to excite large number of companies about technology transfer without very careful prior screening. The whole business of technology transfer will be sterile at best, and highly dangerous at worst, unless the companies are screened to ensure that only the ones with the right management are involved.

Reilly says public sector bodies, such as regional development agencies, should do the initial screening. They can then pass suitable companies on to technology transfer specialists in the private sector for more detailed advice.

A symbiotic relationship grows out of the intelligent greenhouse

THE PROJECT started a year ago with a technology transfer meeting organised by Arist, the regional science and technology information agency for Aquitaine in France.

Intelligent greenhouse could be a profitable new product. In October the two companies signed an agreement to pool their expertise. Danasa remains responsible for the computer controls and will continue to market the system in Spain.

trade who do more harm than good. When a manager has a bad experience with an adviser, he will never want that sort of advice again. Midge says the experience of Sprint is enabling him and his colleagues in Luxembourg to sort the "good" from the "bad."

Another Sprint initiative to promote technology exchange has been to link together industrial research associations in 10 traditional industries. For example, the shoe research associations analysed all the CAD (computer-aided design) systems available to footwear manufacturers and came up with a list of best buys.

Advertisement for Coca-Cola Clothes. Features a large image of people wearing Coca-Cola branded clothing. Text includes: 'We are the world of Coca-Cola Clothes!', 'Coca-Cola brand clothes were introduced to a fashion-hirsty America in August 1985. Retail sales bubbled over the \$250 million mark by the end of the first full year, 1986, and grew to over \$350 million in 1987.', 'The most exciting fashion launch in history included everything from sportswear to fashion watches, swimwear, shoes, socks, sunglasses, bags, childrenswear... even maternity wear.', 'There are even super specialty stores called Fizzazz™ springing up all over the world that sell only Coca-Cola Clothes.', 'If you want to be part of this worldwide success story by marketing Coca-Cola Clothes products or by opening Fizzazz™ stores, please contact: President International Division Murjani 1411 Broadway New York, New York 10019 TEL: (212) 921-5656 TELEX: 237 835 TELEFAX: 869-0466'

APPOINTMENTS

Beecham Pharmaceuticals to have new chairman

The BEECHAM GROUP has appointed Mr James G. Andress as chairman of Beecham Pharmaceuticals from July 18. He will be appointed to the main board in September. His appointment follows Mr James Pollard's decision to relinquish his executive post as chairman of Beecham Pharmaceuticals. Mr Andress is president and chief operating officer of Sterling Drug, New York.

EXCESS INSURANCE GROUP has promoted Mr Alan Spencer to director of outwards reinsurance.

CROWN HOUSE ENGINEERING has appointed Mr Michael Hall as associate director responsible for management support services. He joins from the Heating and Ventilating Contractors' Association where he was head of the legal and commercial department. Mr Roger Millington has been appointed an associate director of Crown House Energy, a subsidiary. He will be responsible for operations and development, and joins from Emstar, the Shell UK contract energy management company, where he was regional manager for the North of England.

PROLIFIC GROUP, a newly-formed holding company which controls the unit trust, life assurance and pensions and investment management businesses recently demerged from the Provincial Group, has appointed three non-executive directors: Mr Frances Calvercross, a journalist

with The Economist, and author of books on the City and economic policy; Mr David Somerset, chief cashier and chief of the banking department of the Bank of England; and Mr Peter Shirley who retired last year as a senior partner with Herbert Smith.

PARAGON COMMUNICATIONS has appointed Mr Antony Winton as managing director of Paragon Financial. He was director in charge of the financial division of Royle Communications.

Sir Graham Wilkinson, managing director of SEIC Services (UK), has become a non-executive director of HALKIN SECURITIES. Mr Alan A. Hobday has been appointed financial director and company secretary. He was financial director of The Lee Beesley Group.

Mr S.A. Mold has been appointed director general of the London-based ISLAMIC WORLD BUSINESS FORUM. He is a former Pakistan Ambassador.

Mr John Beane has been appointed technical director of HENLEY BUSINESS SOFTWARE, and Mr Trevor Hughes becomes software engineering manager. Both were with Lotus Development Corporation, Windsor.

Mr John Featherstone has been appointed a non-executive director of ABBEYCREST. He is a non-executive director of Blue



James G. Andress

City economist returns to Coopers & Lybrand

Sir Christopher Foster has returned to COOPERS & LYBRAND as a director leading the economics practice. Sir Christopher was an executive member of British Telecom's management board, which he joined in 1986. Prior to that he was a director of Coopers & Lybrand for eight years, latterly as public sector practice leader. He is chairman of NEDO construction industry sector group, and a member of the London Docklands Development Corporation.

Mr Geoffrey King, secretary of the Mid Southern Water Company, has been elected chairman and senior vice president of the CHARTERED INSTITUTE OF ARBITRATORS.

Mr David Cook has been appointed vice president of finance by CORTHORNE HOTELS. He joins from Commonwealth Hotels International Company, where he was chief accountant.

FALCON INDUSTRIES has appointed Mr John Handel as group financial director. He was financial controller.

Mr D.G. Reynolds has resigned as a director of Southend Property Holdings to rejoin the partnership of TITMUS SAINIER AND WEBB.

BABETS has appointed Mr John P. Babet as chairman; Mr Michael D. Eagles as managing direc-

tor; and Mr Trevor M. Gabriel as finance director. The company has been formed from Lloyd's broker Carroll Radford Holder and its subsidiary Fox Hughes Marine following their acquisition by the Australian national insurance broker, Babet Corporation.

Lord Armstrong of Ilminster has been appointed a non-executive director of INCHCAPE from July 1. Lord Armstrong, who is also to become chairman of the Trustees of the Victoria and Albert Museum in July, retired as Secretary of the Cabinet and head of the Home Civil Service last year.

Mr Geoffrey Clarke has been appointed BRITISH RAILWAYS BOARD's national road transport manager. He joined BR in 1965 and in 1986 became a policy adviser with the board's policy unit. BR's road transport organisation is responsible for about 8,500 road vehicles.

The banking division of KLEINWORT BENSON has established a syndications and asset sales department. Mr Ian Pancecock will be the director in charge of the new department, with Mr Kevin Murray as manager.

Mr Andrew Hamilton has joined DE MORGAN RETAIL from Bernard Thorpe and Partners. As director, professional services, he will work closely with the company's founder directors on major aspects of retail property



Mr Roy C. Smith has been appointed a non-executive director of the TOTAL GROUP. He is a limited partner of Goldman Sachs & Co. and a professor of finance at New York University.

from site assembly and pre-development advice, to refurbishment, rent reviews, lease renewals and valuations.

Mr T.R.M. Mitchell, vice chairman of Godwins, has been elected president of the SOCIETY OF PENSION CONSULTANTS in succession to Mr C.W.F. Low.

LONDON BRIDGE AVIATION has appointed Mr Stephen Horner as director of finance. He was manager, aerospace division, Midland Bank.

Mr Robert Dowling, a partner of Ronald Ward & Partners, has been elected chairman of the WESTMINSTER CHAMBER OF COMMERCE for 1988/89.

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Applicants for this unusual and challenging post will need a sound knowledge of insurance law and practice and an ability to co-ordinate the actuarial, legal, investment and taxation services provided by the Fund's external professional advisers. The successful candidate will be a good all-rounder, able to develop products, plan expansion, and manage and motivate the Fund's small specialist staff. No age limit is specified but it is unlikely that a candidate under 40 will be able to offer a suitable blend of qualities and experience.

The post, which is located in Central London, offers an initial salary of £22,000 per annum, rising by annual increments to approximately £30,000 per annum, plus non-contributory pension rights.

Applicants should be sent to Box A0907, Financial Times, 10 Cannon Street, London EC4A 3DF.

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This is the opportunity to join an independent, quoted Investment Management company formed seven years ago with the sole intention of building a team of devoted private client managers. The acquisition of a small investment group in 1986 has ensured the continued success of the Company which is now entering the next phase of expansion.

The positions are likely to appeal to stockbrokers who have been managing private client portfolios for a minimum of ten years and who are considering a career move which will ensure long-term security for themselves and quality of service for their clients. It is anticipated that individual portfolios will have a minimum value of £100,000 and that clients will be long-term investors who value a well-structured, discretionary service.

Individual managers are completely responsible for the management of their clients' funds, but research from top-rated broking houses is available and informal discussions with colleagues on investment matters is encouraged at all times.

The Company enjoys sophisticated, in-house support using the latest technology and a settlement system of proven, outstanding quality. It is expected that a move to new and larger premises will be completed in 3 months.

Terms of employment will be attractive and flexible. If you would like to be considered, please telephone or write to: Christine Hough, John Sears and Associates Executive Recruitment Consultants, 2 Queen Anne's Gate Buildings, Dartmouth Street, London SW1H 9BP. Telephone: 01-222 7733.

John Sears and Associates
A MEMBER OF THE SMCI GROUP

International Banking SENIOR ACCOUNT OFFICER

A European Bank of fine standing and with potential to further develop the business generated in London, seek a high calibre person to contribute significantly at a senior level. Candidates, aged up to 35, will be well educated/qualified, offer 5 years credit/marketing experience and have acquired a wide spread of product knowledge.

SALARY: c£35,000 + benefits

For further details either call Frank Hoy, or alternatively, forward a curriculum vitae.

01 628 7601

Gordon Brown

TRADE FINANCE ACCOUNT OFFICER

An established Merchant Bank operation, especially active in both international and domestic trade finance business, currently seek an additional person, aged mid 20's and offering relevant experience to date. The duties will involve a combination of marketing, analysis and relationship administration requiring a candidate able to demonstrate potential to progress within the organisation.

SALARY: c£20,000

THE POTTER'S WHEEL...

Graduate ACAs/lawyers
c.£25,000 + car + mortgage

Able candidates keen to shape the corporate moulds of the future are sought as Corporate Finance Executives with my prestigious City clients who are strengthening their existing team.

Aged 24-28, you will influence corporate change through gaining direct experience in placings, offers for sale, management buy-outs, bids, acquisitions analyses and market studies. To be successful you need to be confident, shrewd, analytical and resilient. Prospects are exceptional.

If you think you can meet these exacting requirements, please write to me, Angela Britton, enclosing a CV or telephone to discuss your interest further, in either case quoting ref. 5090.

EXECUTIVE CONNECTIONS

3rd Floor 43 Leake Street
London WC1E 6AP Tel: 01-242 8103
or call John Curran on 01-644 5874 out of hours

INTERNATIONAL EQUITY SALES • EUROBONDS • TRADED OPTIONS • INVESTMENT RESEARCH • EQUITY FINANCE

We currently seek executives in the following disciplines:

EUROPEAN EQUITY SALES
GENERAL UK EQUITY SALES
PRINTING & PUBLISHING ANALYSIS
SENIOR ELECTRICAL ANALYST
MULTICURRENCY SALES

Some salaries above may be negotiable up to £100,000. An outstanding track record and proven ability are prerequisites for the above. It is unlikely for you to have less than three years experience with a stockbroker or financial institution.

Please apply in confidence to: JONATHAN HEAD on 01-430 1551/2653 or write Executive Selection Division, 9 Brownlow Street, Holborn, London WC1V 6JD.

DULCIE SIMPSON APPOINTMENTS • OULCIE SIMPSON APPOINTMENTS

FACT · NOT · FICTION



Computers and telecommunications systems are vulnerable. Because stories of their vulnerability abound they have lost some of their impact, but there is no room for complacency. The worst can and sometimes does happen. Now that more and more of the world's leading organisations have information technology at the very heart of their business the potential consequences of disruption cannot be ignored. This poses a problem for senior managers who have a duty to protect the assets of their organisations and to preserve its ability to function but lack the highly specialised knowledge to anticipate, and thus avoid the worst. Comprehensive help is now available. No one has a stronger grasp of network security than Coopers & Lybrand. Our reputation has been earned through positive action. Following the recent publication of our European Security Study, companies are becoming increasingly aware of the weaknesses in their own

security. Very few have the time, expertise, or resources to go it alone, so we are looking for a new breed of professionals with the specialised knowledge and ability to identify not just problems, but solutions. Every challenge will be unique.

SYSTEMS SECURITY CONSULTANTS

Salary Range £18-35K + car + benefits

As one of the UK's leading firms of Management Consultants and Accountants, Coopers & Lybrand are leading from the front. If you are between 25 and 35, ambitious, highly intelligent, dynamic and aspire to the highest professional standards, you could be working with the cream of the industry. You have already reached a high level of technical competence, but would welcome the chance to make your mark on a wider stage. You'll be working on assignments that concern concrete

problem-solving such as risk analysis, contingency planning, and acceptance testing for an impressive and varied range of European clients. You could come from one of a number of backgrounds - possibly security or consultancy, but you will certainly be entrepreneurial and self-motivated, yet a team player. Having communication skills that match your capacity for clear thought means you are looking to grow your skills in dealing at the top. The market is new. We are not playing to old rules - so if you have something positive and relevant to offer we'd like to hear from you. The future is wide open for those who can grasp the opportunities - and for those who do Coopers & Lybrand offer exceptional rewards.

Please contact Rod Perry or Marco Kapp, Coopers & Lybrand Associates Limited, at the address below, quoting reference F20/8.

Coopers & Lybrand
Puritree Court, London EC4A 4HT



BUSINESS PLANNING MANAGER

A key appointment in marketing

Attractive salary + car + bonus

Cambridge

Acorn Computers is already a market leader in high performance, micro-based computer systems and our powerful Archimedes range has opened up new market opportunities. We are now seeking a Business Planning Manager to join our marketing team to play a key role in developing marketing strategy and effective marketing information systems.

Reporting to the Sales and Marketing Director you will be responsible for initiating and carrying out analysis and research as well as making recommendations on all aspects affecting the future direction of the sales and marketing effort. Forecasting, budgeting, pricing, monitoring performance, margin analysis - these are all within your brief to initiate and review as necessary. Being able to present your findings and recommendations convincingly to senior management will be a key skill required in this position.

Our ideal applicant should be a professional in either finance or marketing in a high-tech environment, but with experience in both. Almost certainly you will be MBA qualified with relevant business experience. Other qualities must include sound communications skills and a strong, tenacious but still personable nature.

The rewards are generous for this vital role and are open to negotiation for the right applicant. To apply please write with a full curriculum vitae to our consultant, Mrs Dorothy Macrow, quoting reference number K/105/BPM at the address below.

DCN Recruitment
Newman House
Northgate Avenue
Bury St. Edmunds
Suffolk IP32 6BB

Acorn
The choice of experience.

An outstanding opportunity in Retail Financial Services

MARKETING EXECUTIVE

to £30,000 plus Car & Benefits

Our client, a prominent Danish financial institution is poised for significant international expansion within the area of retail financial services. This development has created a new and exciting role for a dynamic Marketing executive to be based in London.

Following a six month familiarization programme in Denmark, the appointee will work in conjunction with the Head Office and London subsidiary in developing and marketing a wide range of financial and insurance related products within the UK.

This outstanding opportunity will appeal to a self motivated individual seeking a high degree of independence. Ideally the successful candidate will be aged in his or her thirties with a tertiary education and at least a three year successful track record in marketing retail financial services with a major financial institution or bank. Previous international experience will be an added advantage.

An attractive remuneration package to the level indicated above will be negotiable according to experience and will reflect the strategic importance of this role.

In the first instance please contact Leslie Squires on 01-606 1706. All enquiries will be treated in the strictest confidence. Anderson, Squires Ltd. 127 Cheapside, London EC2V 6BU

Financial Recruitment Specialists **Anderson, Squires**

Small expanding

Stock Exchange member firm seeks members or associates with private client base. Friendly atmosphere with excellent administration and back up. Please apply for confidential discussion to Box A8912, Financial Times, 10 Cannon Street, London, EC4P 4BY

ASSET SWAPS DEALER

In-depth knowledge of the Eurobond market, reviewing and analysing for SWAPS, hedging risks, etc., are essential in this position in UK Merchant Bank.

NEWLY QUALIFIED ACCOUNTANT (ACA)

Professionally trained in a recognised firm of accountants is an essential requirement for an excellent opportunity to join an expanding London branch of a European bank as Assistant to the Financial Controller.

MONEY MARKET DEALER

£20,000 Neg
A minimum of 2 years in an active dealing position is required to deal on off balance sheet and money market instruments in a leading international bank.

INTERNAL AUDITOR

£21,000
Medium sized European bank seek auditor with operational and data processing experience. Familiarity with IBM 38 + P/C applications desirable. (Age range 25-30.)

OLD BROAD STREET BUREAU LTD
STAFF CONSULTANTS
108 Old Broad Street, London EC2N 1AP, Tel: 01-588 3881

GILTS MANAGER

£35,000+ plus Full Banking Benefits

City

Our clients are the UK investment office of a major international organisation. Based in the City, the office manages funds in all the world's markets.

Due to the growth of the office, they now require an experienced gilt fund manager to support the heads of the department in the further development of their gilt portfolio. The role will also include liaising and instructing the futures department in respect of futures and options hedging and income enhancement.

Candidates should be aged in their late 20's with preferably 5 years experience of managing a gilt portfolio. This expertise will probably have been gained in the dealing department of a major international bank or other financial institution. Experience of gilt

options and a working knowledge of gilt futures is desirable.

Equally important is a mature, confident and capable personality that will enable them to cope successfully with an autonomous, responsible and high profile position. Candidates must demonstrate a flexible and innovative approach and a willingness to work as a member of a small mixed investment team. The role offers excellent opportunities for personal creativity and career growth.

In addition to an extremely attractive salary, which is negotiable, the remuneration package will include the usual executive benefits.

Please reply in confidence, enclosing full cv and quoting reference 13182, to Joanna Corr.



Peat Marwick McLintock

Executive Selection and Search
9 Creed Lane, London EC4V 5BR

Chief Dealer Chief Analyst

Spain

Our client, a major Spanish brokerage house, is looking for a Chief Dealer and a Chief Analyst for its new equities division in its Madrid Office.

We are looking for highly qualified professionals with broad experience in similar positions with reputable companies within the sector.

We offer the opportunity to join a fast-growing company and a highly professional, young executive team in

the most expanding European securities business.

The positions offered involve both a professional and personal challenge as well as tangible promotion possibilities.

Fluent English and Spanish are essential, other languages would be an asset.

The remuneration packages offered are in line with the responsibility of the positions and will be adjusted to the candidate's background and

experience.

All correspondence will be forwarded to Price Waterhouse in Madrid, but in the first instance please write enclosing a full CV and salary details quoting reference MCS/5107 to Barrie Whitaker, Executive Selection Division, Price Waterhouse Management Consultants, No. 1 London Bridge, London SE1 9QL.

Price Waterhouse

Manager, Banking, Birmingham

To £35,000

Corporate Banking in a Merchant Bank

This high profile quality institution provides innovative funding solutions to a large and diverse client base. The UK Corporate Banking Division offers a wide range of products including leveraged transactions, property financing and mortgage related deals. The Division works closely with other parts of the Bank specialising in corporate finance and development capital, buy-outs and equity placement.

To facilitate the further growth of this important group, the Bank seeks to recruit a high calibre individual to strengthen the marketing team in its Birmingham office. Bright, broadminded

and open to innovation, candidates should be excellent graduates with a minimum of 3-5 years in an active banking role. Attractive experience will include significant client exposure and considerable evidence of successfully completed transactions.

The right candidate will be rewarded with a generous salary package and excellent career prospects within the group.

Interested applicants should contact Mark Hartshorne at Michael Page City on 01-404 5751 or write to him at 39-41 Parker Street, London WC2B 5LH.



Michael Page City
International Recruitment Consultants
London Paris Amsterdam Brussels Sydney

Head of Australian Equities Sydney

Schroders Australia Limited, the Australian Operating Company within the Schroder Group, is currently expanding the range of products it offers through Group Companies to its international clients worldwide and particularly to those in the Far East where it already has a very successful record and extensive client list relating to debt securities, including government bonds and private placements.

We are now adding Australian equities to the range of products and are looking for an outstanding individual with the skills to develop a small research and trading team which can provide this service to our clients. The leader of the team must have experience in Australian equities and be able to demonstrate the ability to communicate strategies to international investors and to organise and motivate a research and dealing team.

For the right person this is an opportunity to build a business from an established client base, within a highly successful and respected investment bank, which would provide the foundation for a full scale equities operation in Australia. It also combines an attractive remuneration package with considerable personal development and career opportunities. In the first instance, please write with a brief CV to the Group Director of Personnel (reference JDB), Schroders plc, 120 Cheapside, London EC2V 6DS. Absolute confidence will be maintained.

Schroders

OPERATIONS CONTROLLER

No. 2 in a greenfield business
Financial Services £35-40,000 + benefits

Our clients are a long established international group whose business interests centre upon life assurance, unit trusts and fund management. As part of a programme of planned yet rapid expansion within the UK and Europe, they are currently setting up a new subsidiary to exploit a major new business opportunity within the investment markets. Placing significant emphasis on appointing a high calibre executive team to establish and develop the company, they now wish to recruit an Operations Controller to be one of the key players.

As number two to the Chief Executive this is a wide ranging role which will include responsibility for setting up and developing the systems and controls to handle a high flow of funds and the office administration procedures to cope with a period of substantial growth.

A strong understanding of the dynamics of the investment markets is vital. This will probably have been gained from working in the back office of a major broker, fund manager or bank. Candidates should be young, flexible and of graduate calibre. They should be able to combine an attention to detail with a broader business awareness and they should have the personal qualities to recruit and bring the best out of some twenty back office staff. A formal systems or accountancy training would be helpful but is not essential.

This is a challenging opportunity with exciting career prospects. It carries with it a flexible remuneration package which reflects the importance of the role. The location for the business has yet to be decided and the successful applicant will participate in that decision. Please write in confidence enclosing a full cv, including current remuneration and quoting reference F2909/3, to Paul Carvoso.

KPMG Peat Marwick McLintock

Executive Selection and Search
 9 Creed Lane, London EC4V 5BR

FINANCIAL INSTITUTIONS

Insurance Sector
 £30-£40,000

This global bank is a leading provider of products and services to a wide range of financial institutions, and is committed to further increasing its market share. An additional Account Manager is sought to join the insurance group at Vice-President level, with responsibility for introducing and managing new client relationships in this highly profitable sector. Specific experience of managing relationships with insurance companies and/or brokers will be advantageous, while a thorough understanding of both commercial and investment banking products is essential.

Contact Ken Anderson

RISK MANAGER

to £50,000

Our client is a major international bank, with long-established and diverse operations in London. For this key appointment they seek a seasoned international banker, aged in his/her 30s, who has in-depth understanding and experience of managing all types of risk exposure. The role will be one of crucial influence, impacting on both procedure and policy and including the training of relationship managers. Remuneration will not be a problem for a candidate of stature.

Contact Jocelyn Bolton

CORPORATE FINANCE

£25-£30,000

Due to expansion, this well-established international bank is currently recruiting actively into its Corporate Banking and Corporate Finance areas. As an Account Manager, you will have full responsibility for the development and management of a diversified portfolio of corporate accounts, including the provision of such products as acquisition and mezzanine financing. You should have a strong foundation in credit analysis, and a proven track record in business development. This is an excellent opportunity to develop further strengths in the field of Corporate Finance.

Contact Loretta Quigley

For further information please telephone 01-606 1706 or send a Curriculum Vitae to Anderson, Squires Ltd., 127 Cheapside, London EC2V 6BU.

Financial Recruitment Specialists **Anderson, Squires**

Commercial Banking

Corporate Lending Managers To £35,000 **Specialist Financing Manager To £35,000**

The corporate banking division of a major U.K. institution is currently seeking marketing managers to lead and co-ordinate their commercial lending operations throughout the U.K. Ideally you will be aged between 30 and 45, educated to degree level and/or hold a relevant professional qualification. You should also have a minimum of three years' commercial lending experience coupled with extensive contacts and knowledge of the U.K. corporate sector, preferably in the U.K. middle market. A strong clearing bank background is essential.

Interested applicants should contact Mark Hartsborne or Niall Macnaughton on 01-404 5751, or write to them at Michael Page City, 39-41 Parker Street, London WC2B 5LH.

MP
Michael Page City
 International Recruitment Consultants
 London Paris Amsterdam Brussels Sydney

Fixed Income Trader

Morgan Grenfell is seeking to recruit a Fixed Income Trader to join its Banking and Fixed Income Division in London.

You would be responsible for Market Making and Multi-Currency arbitrage in European Government Bonds, with the opportunity to manage the existing team in the near future.

The position requires someone with a strong quantitative background and an Economic, Financial or Numerate degree, who wants to take responsibility for the direction and development of the business. You will have a minimum of 4 years trading or sales experience in the German, Dutch or French Government Bond markets.

There is an attractive remuneration and benefits package.

Please contact, giving full career details:

Mr. M. J. Heyes
Morgan Grenfell & Co. Limited
 23 Great Winchester Street
 London EC2P 2AX

MORGAN GRENFELL

EUROPEAN SALES CONSULTANT Well-established European bank seeks persons aged around 25 to join small capital markets team in London, to develop contacts with institutional investors primarily in Continental European sector. Candidates required to have university degree and previous experience in the activity. Applications with CV to Box 4080, Financial Times, 10 Cannon Street, London EC4P 4BT

European Equity Sales

Our client, a major house with first class European research, wishes to augment its successful team with a high calibre salesperson. You will already be working in a securities house selling European equities to institutions and have built up strong client relationships over a period of at least 2 years. Excellent package.

UK Equity Sales

We must find a well-informed, experienced UK salesperson with exceptional communicative ability and good institutional contacts. Either a generalist or a specialist would be considered.

Equity Analysts

Our clients wish to talk to analysts in these areas: Brewing; Property; Oils; Paper & Packaging; Chemicals; European Electronics; European Motors; Scandinavian Equities; Building Materials.

Contact: Dr Elisabeth Davidson, Commodity Appointments,
 116 Shaftesbury Avenue, London W1V 7DJ
 Tel: 01-436 1701

CJA RECRUITMENT CONSULTANTS GROUP

3 London Wall Buildings, London Wall, London EC2M 5PJ
 Tel: 01-588 3588 or 01-588 3576
 Telex No. 887374 Fax No. 01-256 8501

Initial one year renewable contract. A key position managing this long term project.



GENERAL MANAGER AND DIRECTOR

PORTUGAL-ALGARVE

HIGHLY ATTRACTIVE PACKAGE

BRITISH MANAGED MAJOR LEISURE AND RESIDENTIAL DEVELOPMENT

The first phase of this major development is nearing completion and our clients now seek a General Manager to supervise and co-ordinate the line managers who have day to day responsibility for the completed golf course and clubhouse, the construction of the village and individual villas, financial control, operational management and marketing. The General Manager will propose policy to the Board and be responsible for its implementation, as well as overseeing the organisation which will provide services to residents and the management of swimming pools, restaurants, shops, etc. There will also be responsibility for planning the further development of this project. General management experience in the leisure industry is essential, with some experience of construction end, as the General Manager will be responsible for relations with the local community, a knowledge of Portuguese will be an advantage. A highly attractive remuneration package with significant tax benefits is negotiable, plus furnished housing, car, life insurance, medical cover and annual leave with passages. Applications in strict confidence under reference GMD4806/FT, to the Managing Director: CJA

A senior role for a creative individual capable of assuming credit authority.

Key member of global credit team.



VICE PRESIDENT - CREDIT OFFICER INTERNATIONAL MONEY MARKETS

LONDON

UP TO £40,000 + CAR

LEADING US FINANCIAL INSTITUTION

We invite applications from candidates, probably graduates, who must have had at least 4 years' experience in a senior credit role within the banking sector. Experience with treasury related products and the credit and commercial issues involved will be a distinct advantage. The selected candidate, whilst reporting directly to the Head of Credit in the US, will be expected to assume a high degree of autonomy on credit matters. Besides being responsible for making credit judgements, an important part of this role will be to work closely with the local treasury staff and to participate in business development. Essential qualities will be sound commercial risk analysis abilities, strong interpersonal skills and creativity in making business decisions from a credit standpoint. Initial salary negotiable up to £40,000, plus a company car and a full range of generous fringe benefits including mortgage assistance. Applications in strict confidence under reference VPC021071/FT will be forwarded unopened to our client unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager: CJRA

3 LONDON WALL BUILDINGS, LONDON WALL, LONDON EC2M 5PJ. TELEPHONE 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-256 8501. ORGANISATIONS REQUIRING ASSISTANCE ON RECRUITMENT: PLEASE TELEPHONE 01-628 7539

RECRUITMENT CONSULTANCY

Banking & Finance

Anderson, Squires Ltd is one of the major specialist recruitment companies serving the international banking industry. We offer our clients an "across the board" service in the UK and Europe, currently through four recruitment divisions, and we have ambitious plans for further expansion and diversification both immediately and in the longer term.

We now seek a number of dynamic and experienced Recruiters to join us and help implement these plans. You will be joining a young, enthusiastic and

professional team recruiting specialist staff at both senior and junior levels for a "blue chip" City client base, primarily through advertising and selection.

We should like to talk to you if you have directly relevant experience in our sector, or if you have been recruiting in a related area (e.g. Accountancy or Insurance). In addition to your professional skills, personal qualities of enthusiasm and integrity will be of paramount importance.

Remuneration is for discussion, and will include a very attractive performance-related element.

In confidence, please telephone Ken Anderson on 01-606 1706 (office hours) or 01-858 1375 (evenings/weekends), or write to him at Anderson, Squires Ltd, 127 Cheapside, London EC2V 6BU

Financial Recruitment Specialists **Anderson, Squires**

Marketing Executive

£28,000

Our client, recognised as one of the leading international banks worldwide, wishes to appoint a senior Marketing officer. The position calls for a confident personality capable of negotiating directly with clients at all levels.

Your enthusiasm and communication skills will be supported by several years experience of selling to financial institutions within a banking environment.

There are obvious opportunities for career development within this organisation and our client is prepared to offer a generous benefits package which includes a company car and mortgage subsidy.

Assistant Manager Swaps

£28,000

A highly respected international banking group is seeking to appoint an experienced Swaps person.

As part of a dedicated team, you will work on the structuring of swaps deals in close conjunction with the Corporate Finance area.

You will have a minimum of three years interest/cross currency swaps experience (not necessarily gained in a trading environment), strong mathematical skills and the ability to solve problems effectively and creatively. In return, our client will offer you an outstanding range of benefits and excellent career prospects in line with your aspirations.

Corporate Finance Executive

£ Neg.

Our client, a leading international banking group, is seeking an ambitious graduate with current work experience gained preferably, though not essentially, from a Corporate Finance area.

To fill this post, we are looking for a person with initiative and commercial judgement, capable of contributing to the team's development.

The position will involve identifying and researching opportunities for new business. Our client offers a competitive salary, comprehensive benefits and the opportunity to further your career in a progressive and innovative environment.

Please telephone Mrs Joan Woods, 01-236 1113, or write enclosing a full CV, to her at Portman Recruitment, 13-14 Great Saint Thomas Apostle, London EC4V 2BB.



PUT CARE INTO CAREERS.
 01-236 1113
 PORTMAN RECRUITMENT SERVICES LTD

ACCOUNTANT/SOLICITOR/ STOCKBROKER LONDON

Remuneration circa £70,000 covering salary and results related bonus + car + assisted mortgage

Our client, a dynamic, Triple A rated international financial institution needs an experienced professional with a strong bias towards sales/marketing and the ability to maintain good relationships with financially active wealthy individuals.

The ideal candidate must have a sound knowledge of UK personal taxation and the ability to market a wide range of investment, banking, credit, corporate finance and fiduciary products and maintain long term customer relationships with predominantly senior executives of foreign banks, (principally North American) financial institutions, non domiciled UK residents and professional intermediaries.

Preferred age under 30/40. All candidates must have a degree and/or professional qualification (eg FCA, LLB). New business development skills essential.

Remuneration package includes a reasonable salary, an attractive performance related bonus, company car, assisted mortgage and pension/life assurance/medical benefits.

Applicants should apply with a brief CV to: Peter G. K. Oosthuizen, Kohnhorst Irvine International, 68 Grosvenor Street, London W1X 9FH.

Kohnhorst Irvine International

MAJOR MIDDLE EAST INSTITUTION seeks SENIOR ANALYST - AUSTRALIAN MARKET

This appointment is based in Abu Dhabi - United Arab Emirates. The successful candidate will have at least five years experience in analysis of stocks in Australia. Knowledge of other markets would be an advantage. Salary will be tax-free and commensurate with experience. Benefits include housing, medical fees, transport allowance, terminal gratuity and return annual air fare for the appointee and his family. There is also a scheme in operation to subsidise school fees, and bonuses based on performance.

Please reply to: The Director Abu Dhabi Investment Authority 18th Floor 99 Bishopsgate, LONDON, EC2M 3XD.

REGISTERED REPRESENTATIVES/SE DEALERS

A number of ASSOCIATES with good communication/trading skills for highly successful member of TSA and (applicants to the International Stock Exchange)

APPOINTMENTS ADVERTISING

For further information call 01-248 8000 Teresa Taylor ext 3327

Debra Venables ext 4177

Appointments Wanted

SWAP/BOND TRADER M&A, 27, Swap and Fixed-income experience. New York, Tokyo and London. Sales and Broking. Seeks demanding dealing position with Swap or Fixed-income group. Write Box 4872, Financial Times, 10 Cannon Street, London EC4P 4BY

CBL is the "Eurobank" of the Dresdner Bank Group. Situated in Luxembourg, we are active in international lending and money-market, foreign exchange and securities dealing with major partners world-wide.



EUROCURRENCY SYNDICATIONS

Within our Syndications and Loans Division we intend to strengthen our department. This international team transacts a wide variety of capital markets business with both sovereign and corporate customer in the syndicated Euro-Loan markets world-wide.

Ideally, candidates will be between 25 and 30 years of age, will be educated to degree level and have received a bank training in the international sector. Experience in a syndications environment would be valuable for position demanding creativity and the ability to develop and carry through successfully attractive loan projects.

We are looking for a dynamic, decisive personality with good presentation skills. Fluency in English (not necessarily as mother tongue) is essential. A good knowledge of German to be improved on the job will be also a requirement. We will naturally give necessary assistance regarding relocation to Luxembourg.

If you are attracted by this challenging opportunity, we would like to discuss further details with you personally. In the first instance, therefore, please send your written application in German, with career details and photograph, marked "confidential" to our Personnel Department.

Compagnie Luxembourgeoise de la Dresdner Bank AG

26, rue du Marché-aux-Herbes L-1728 Luxembourg

Dresdner Bank International

Venture capital professional

Birmingham

Lloyds Development Capital Ltd, part of Lloyds Merchant Bank, is looking for a venture capital professional to join its new regional office in Birmingham.

The successful candidate is likely to be a graduate, aged around 30 with about 2 years' direct experience in venture capital or related experience in industry. The ability to handle an active portfolio of clients and to develop new investment opportunities is necessary. A strong personal profile is essential as are proven analytical, numerical and negotiating skills.

The person appointed will join a small but experienced team with excellent potential for growth in an expanding and stimulating environment.

A competitive salary and bonus package is offered, which includes a car, mortgage and full banking benefits. Relocation assistance is available if necessary.

Write with full CV to: Michael Joseph, Director, Lloyds Development Capital Ltd, Embassy House, 60 Church Street, Birmingham B3 2DJ.



EXECUTIVE POSITIONS - KUWAIT

The Gulf Bank KSC, the second largest bank in Kuwait with a US\$ 6.8 billion balance sheet and 30 branches, and the market leader in product innovation and technology, seeks:

1. PRODUCT DEVELOPMENT MANAGER

The successful candidate should have a minimum of 10 years banking experience and be fully familiar with highly automated banking systems - ATM network, POS, Micro-Banking, Telephone Banking, Investment Products - Unit Trusts/Mutual Funds, Card Products; a team player with good communication abilities. Ability to communicate in Arabic is a plus.

2. MANPOWER DEVELOPMENT MANAGER

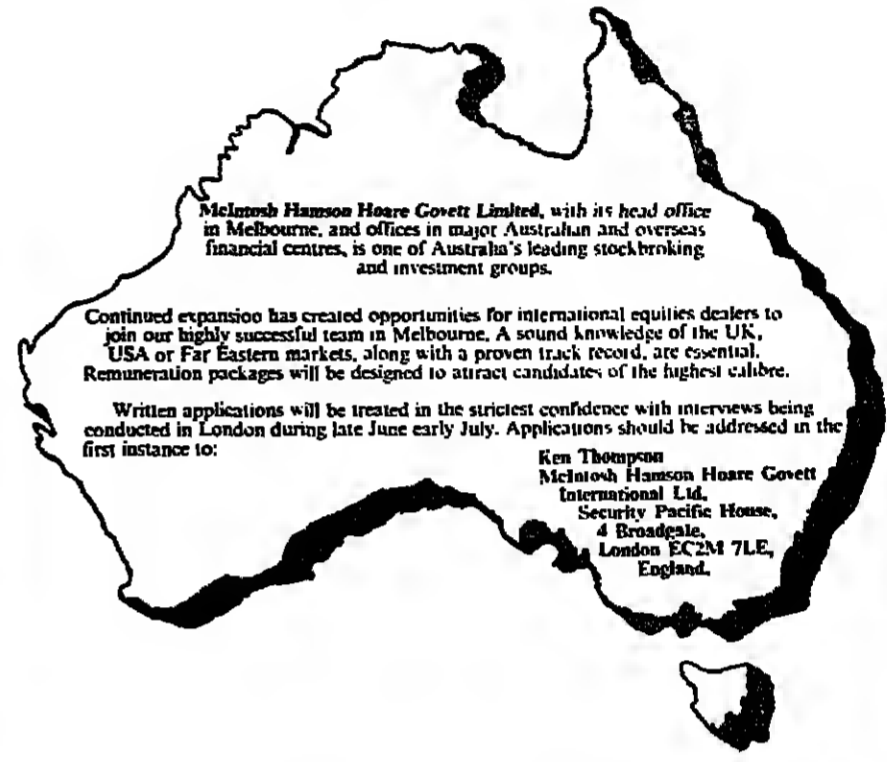
The successful candidate should have a minimum of 12 years experience. It is preferable if he has worked in a similar capacity in a financial institution. Position responsibility includes, development and execution of the Bank's manpower plans, development of short and long term manpower development policies and the development and management of the training programmes.

Positions carry a fully competitive salary and expatriate benefits - housing, schooling, airfares, long vacations, all tax free, under a two year contract.

Please reply enclosing your CV, in confidence to:

THE MANAGER, EMPLOYEE RELATIONS & RECRUITMENT, THE GULF BANK, POB 3200, 13032, SARAF, KUWAIT

INTERNATIONAL EQUITY DEALERS Melbourne



Melmore Hanson Hoare Goett Limited, with its head office in Melbourne, and offices in major Australian and overseas financial centres, is one of Australia's leading stockbroking and investment groups.

Continued expansion has created opportunities for international equity dealers to join our highly successful team in Melbourne. A sound knowledge of the UK, USA or Far Eastern markets, along with a proven track record, are essential. Remuneration packages will be designed to attract candidates of the highest calibre.

Written applications will be treated in the strictest confidence with interviews being conducted in London during late June early July. Applications should be addressed in the first instance to:

Ken Thompson Melmore Hanson Hoare Goett International Ltd, Security Pacific House, 4 Broadgate, London EC2M 7LE, England.

HEAD OF INTERNATIONAL DIVISION

for a well established subsidiary of a major Spanish Bank in the City to £25,000 + Benefits.

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The ideal candidate, probably aged 35-45, should possess not less than 10 years' supervisory experience, preferably in a similar position. Essential characteristics include drive, ambition and well developed interpersonal and management skills. The candidate must also be fully bilingual (English/Spanish).

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THE LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE

Appointment of Director

The Court of Governors of the School has established a Selection Committee to make a recommendation for an appointment of Director of the School from 1 October 1990 on the retirement of Dr I G Patel.

It is expected that the person appointed will be in office when the School celebrates its Centenary in 1995.

Further particulars of the appointment may be obtained from Dr Christine Challis, The Secretary, The London School of Economics and Political Science, Houghton Street, Aldwych, London WC2A 2AE.

Anyone interested in being considered for appointment or wishing to recommend anyone for consideration is invited to communicate as soon as possible, but not later than the end of September, with the Chairman of the Court of Governors at the School. Communications should be marked Private and Confidential.

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This position offers an excellent career opportunity for the right candidate and carries a very attractive benefits' package.

Interested candidates should call Mike Blundell-Jones on 01-236 1113 or submit a full C.V. to: Portman Recruitment Services Ltd, 13/14 Great Saint Thomas Apostle, London EC4V 2BB.



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We are seeking to expand our Private Client fund management activities through the recruitment of individuals or small teams with attached business.

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For an initial discussion in strictest confidence please write or telephone:

Stuart Fraser Williams de Broe Hill Chaplin & Company Limited Pinners Hall, Austin Friars, London, EC2P 2HS.

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01-255-1555 Mike Morell, Meridian Rec Cons, 25 Museum St., WC1A 1JT

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A well established Upper Mid-West American Bank in the City of London requires a Loans Finance Officer for the development of activities in the Export and Trade Finance field.

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It would be advantageous for applicants to have a general knowledge of Documentary and Trade Credits, Letters of Credit, ECGD, Credit Insurance and Credit Analysis obtained within the Banking environment, or alternatively applicants with experience of these types of operations within multi-national corporations would also be considered. Ideally applicants should have experience of business travel throughout the OECD area.

The ideal applicant should be aged 25 to 35, with an outgoing personality, whose experience, apart from participating in the present structure of the Bank's operations, should be able to contribute to any future expansion possibilities.

Please send a detailed Curriculum Vitae giving salary expectations to:

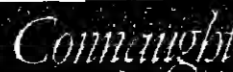
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FT LAW REPORTS

UK trustee not liable for tax

DAWSON v INLAND REVENUE COMMISSIONERS
 Court of Appeal
 (Lord Justice Kerr,
 Lord Justice Dillon and
 Lord Justice Nicholls)
 May 25 1988

held that he was not liable. The Crown now appealed.

The difficulty arose because income tax legislation made no express provision regarding income accruing to persons as trustees.

On their face the provisions of sections 108 and 114(1) of the Act raised the question of whether the relevant income "accrued" to Mr Dawson (section 108), and was income which he "received" or to which he was "entitled" (section 114).

The Court of Appeal so held when dismissing an appeal by the Inland Revenue from Mr Justice Vinelott's decision to set aside an assessment to income tax on trustee, Mr Oliver Dawson.

Section 108 of the Income and Corporation Taxes Act 1970 provides that tax under Schedule D "... shall be charged in respect of (a) the annual profits or gains arising or accruing - to (i) any person residing in the United Kingdom from any property whatsoever, whether situated in the UK or elsewhere..."

Section 114(1): "... income tax under Schedule D shall be charged on and paid by the persons receiving or entitled to the income..."

LORD JUSTICE NICHOLLS said that three trusts were made between 1948 and 1965 by settlors domiciled and resident in the UK. The principal beneficiaries were members of the family of Mr Gordon Cotton.

In 1969 Mr Cotton emigrated to Switzerland and became permanently resident there with his family.

The assessments under appeal were for the year 1975/76. Mr Oliver Dawson, a UK resident, was trustee along with two others neither of whom was domiciled nor ordinarily resident in the UK. By far the larger part of the trust funds was invested in securities of non-UK companies. They were registered in the names of a Swiss bank or nominees and were held in the country in which the relevant companies were incorporated or resident. The income was paid into Swiss bank accounts in Switzerland.

The assessments were based on the estimated income of the trust funds derived from sources outside the UK.

The question was whether Mr Dawson, whose co-trustees resided abroad, was liable to tax on income arising from investments situated outside the UK. The special commissioners held that he was liable. Mr Dawson appealed. Mr Justice Vinelott

held that he was not liable. The Crown now appealed. The difficulty arose because income tax legislation made no express provision regarding income accruing to persons as trustees.

On their face the provisions of sections 108 and 114(1) of the Act raised the question of whether the relevant income "accrued" to Mr Dawson (section 108), and was income which he "received" or to which he was "entitled" (section 114).

But the relevant income was trust income, and the entitlement of trustees to trust property was joint, not joint and several. Accordingly, it accrued to Mr Dawson alone, but to him jointly with his co-trustees.

Joint entitlement to income did not give rise to any difficulty where all those entitled were resident in the UK, because the singular "person" in paragraph 1(a)(i) of Schedule D was to be read as including the plural "persons" by virtue of what was now section 6(c) of the Interpretation Act 1978.

So construed paragraph 1(a)(i) applied to annual profits or gains arising or accruing - (i) to any person or persons residing in the UK.

The crucial question was as to how paragraph 1(a)(i) was to be interpreted when the income accrued to persons jointly, one or more of whom resided in the UK and the others outside the UK. The Crown contended that in

element to the income of those investments.

In *CIR v TW Law Ltd (1950) 29 TC 467* Mr Justice Romer said "The fact that a joint tenant has a legal interest in the entirety of the subject-matter of the joint tenancy seems to me to be far removed from the conception that each such tenant 'owns' the subject matter."

In the present case Mr Justice Vinelott rightly said that no one of the trustees was entitled to call for the income to be paid to him.

Because of the very limited nature of the interest of one only of the territorial basis of tax legislation, trust income from foreign investments had not arisen or accrued to Mr Dawson so as to render it chargeable to tax.

The income had arisen or accrued to all three trustees jointly, but they were not all persons residing in the UK. The court could not regard the income as having accrued to Mr Dawson alone, and disregard the other two trustees because they were not resident in the UK.

Lord Justice Kerr agreed with both judgments.

For the Crown: John Mummery (Solicitor, Inland Revenue) For Mr Dawson: Stephen Oliver QC and James Kessler (Simmmons & Simmons)

Rachel Davies, Barrister

SPANISH BANKING FINANCE & INVESTMENT

The Financial Times proposes to publish a Survey on the above on

23rd June

For a full editorial synopsis and advertisement details, please contact:

Luis Andrade, Ponzano 72-2C, 28003 Madrid, Spain

on (01) 456 2778 or write to Mr Robert Leach

Bracken House, 10 Cannon Street London EC4P 4BY.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

FIDELITY AUSTRALIA FUND N.V. Registered Office: 16-A Pietermaas, Willemstad, Curacao, Netherlands Antilles

NOTICE OF ANNUAL GENERAL ASSEMBLY OF SHAREHOLDERS

Please take notice that the Annual General Assembly of Shareholders of Fidelity Australia Fund N.V. (the "Corporation") will take place at 10:00 a.m. at 16-A Pietermaas, Willemstad, Curacao, Netherlands Antilles, on June 21, 1988.

The following matters are on the agenda for this meeting:
 1. Approval of the report of the Management.
 2. Election of the following persons as Managing Directors:

- | | |
|--|--|
| Edward C. Johnson 3d
William L. Byrnes
Charles A. Friser
Hisashi Kurokawa | John M.S. Patton
Harry G.A. Seggerman
H.F. van den Hoven
Corporate Trust N.V. |
|--|--|

3. Approval of the financial statements of the Corporation for the fiscal year ended February 29, 1988.
 4. Ratification of actions taken by the Managing Directors since the last Annual Assembly of Shareholders.
 5. Ratification of actions taken by the Investment Manager since the last Annual General Assembly of Shareholders.
 6. Proposal, recommended by Management, to amend the provisions of Article 12 of the Fund's Articles of Incorporation which presently provide that any owner of more than 3% of the authorized capital of the Corporation may be required to redeem that excess amount. The Board recommends that the provisions be amended to permit the fund to require any beneficial owner of more than 3% of the outstanding shares to redeem the excess.

7. Such other business as may properly come before the assembly.
 8. Bearer shareholders may obtain a form of proxy and related documents from:

- | | |
|---|--|
| Fidelity International Limited
P.O. Box 670
Hamilton, Bermuda | Fidelity International (C.I.) Limited
40, The Esplanade
St. John's, Barbados |
|---|--|

Holders of registered shares may vote by proxy by mailing a form of proxy to the following address:

- | | |
|--|--|
| Fidelity Australia Fund N.V.
c/o Corporate Trust N.V.
16-A Pietermaas, Willemstad
Curacao, Netherlands Antilles | Corporate Trust N.V.
16-A Pietermaas,
Willemstad,
Curacao
Netherlands Antilles |
|--|--|

Holders of bearer shares may vote by proxy by obtaining from the institutions listed above a form of proxy and Certificate of Deposit for their shares and mailing those materials to the Corporation at the address set forth in the preceding paragraph. Alternatively, holders of bearer shares wishing to exercise their rights personally at the assembly may deposit their shares, or a certificate of deposit therefor, with the Corporation at 16-A Pietermaas, Willemstad, Curacao, Netherlands Antilles, against receipt therefor, which receipt will entitle said bearer shareholders to exercise such rights.

All proxies (and certificates of deposit issued to bearer shareholders) must be received by the Corporation not later than 9:00 a.m. on June 21, 1988, in order to be used at the assembly.

In accordance with Article 22 of the Fund's Articles of Incorporation, approval of Item 6 of the agenda will require the affirmative vote of a majority of the votes cast at the Assembly. Approval of the remaining items of the agenda will similarly require the affirmative vote of a majority of the votes cast at the Assembly.

Dated: June 3, 1988 By order of the Management Charles T.M. Collins Secretary

TRAFFORD PARK

The Financial Times proposes to publish this survey on:

Monday, 26th July 1988

For a full editorial synopsis and advertisement details, please contact:

PHILIP DODSON on 061 834 9381 (TELEX 666813) (fax 061 832 9248) or write to him at:

Financial Times
Alexandra Buildings
Queen Street
Manchester
M2 5HT

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

State Bank of India
 State Bank of India announces that its base rate is increased from 8.0% to 8.5% per annum with effect from June 6, 1988

BANK OF IRELAND BASE RATE
 Bank of Ireland announces that with effect from close of business on 8 June 1988 its Base Rate is increased from 8.00% to 8.50% p.a.

Bank of Ireland
 Established 1783
 Area Office 26 Queen St London EC4R 1BN

An incorrect version of the World Currencies table appeared in some editions of yesterday's paper. We apologise for the error and reproduce the correct table here.

FT GUIDE TO WORLD CURRENCIES

The table below gives the latest available rates of exchange against four key currencies on Monday June 6 1988. In some cases the rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

COUNTRY	£ STG	US \$	D-MARK	YEN (x 100)	COUNTRY	£ STG	US \$	D-MARK	YEN (x 100)	COUNTRY	£ STG	US \$	D-MARK	YEN (x 100)
Algeria (Dinar)	10.111	5.624	3.274	4.496	Greenland (Danish Krone)	11.7975	6.5450	3.8117	5.1914	Peru (New Sol)	59.474	32.9930	19.2148	26.1694
Algeria (Dinar)	10.111	5.624	3.274	4.496	Guatemala (Local Ft)	10.4625	5.8044	3.3804	4.6039	Philippines (Peso)	36.00	19.9722	11.8316	15.8415
Algeria (Dinar)	10.111	5.624	3.274	4.496	Guatemala (Local Ft)	10.4625	5.8044	3.3804	4.6039	Pakistan (Rupee)	1.00	0.5547	0.3221	0.4400
Algeria (Dinar)	10.111	5.624	3.274	4.496	Guatemala (Local Ft)	10.4625	5.8044	3.3804	4.6039	Pakistan (Rupee)	1.00	0.5547	0.3221	0.4400
Algeria (Dinar)	10.111	5.624	3.274	4.496	Guatemala (Local Ft)	10.4625	5.8044	3.3804	4.6039	Pakistan (Rupee)	1.00	0.5547	0.3221	0.4400



Payment of Dividend

NOTICE IS GIVEN to shareholders that following a resolution passed at the Annual General Meeting of shareholders held on 7th June, 1988 a dividend for the year ended 31st December, 1987 of 20% and an anniversary bonus of 2% on the nominal value of the shares will be paid as from 8th June, 1988 against delivery of Coupon No. 51 from shares of DM 50 or Coupon No. 2 from London Deposit Certificates of DM 5.

Dividend and bonus of 22% will be subject to German Capital Yields Tax of 25%.

Coupons may be presented as from 8th June, 1988 to S. G. Warburg & Co. Ltd., Paying Agency, 6th Floor, 1 Finsbury Avenue London EC2M 2PA

from whom appropriate claim forms can be obtained. The dividend will be paid at the rate of exchange ruling on the day of payment.

Payments in respect of London Deposit Certificates will be made at the rate of exchange ruling on the day of receipt of dividend on the underlying shares deposited in Germany.

United Kingdom Income Tax will be deducted at the rate of 10% unless claims are accompanied by an affidavit.

German Capital Yields Tax deducted in excess of 15% is recoverable by United Kingdom residents, and the Company's United Kingdom Paying Agent will, upon request, provide holders with the appropriate forms for such recovery.

Hoechst Aktiengesellschaft Frankfurt am Main, June 1988

TRADE INDEMNITY
 CREDIT RISK MANAGEMENT SERVICES 01-739 9939

ARTS

Television/Christopher Dunkley

Much more on the media

Stap me vital! Watching Donald Sinden play Sir Anthony... in The Rivals during BBC's highly enjoyable 'Theatre Night' season...

turned to the book about the programme written by producer Jack Saltzman... and decided that this was more interesting...

Sidie Milligan? Desmond Wilson? Joanna Lumley? Lew Gurdner? Dennis Potter (marvellous though it is, The Singing Detective is a repeat from 1987)?

Talking of which, who are the most irritating people on television? The chat show hosts who pretend that another batch of publicity seekers...

The Statesman, which used to be The Statesman And Nation, merges with New Society this week to form the New Statesman and New Society...



How about a Restoration sitcom with Donald Sinden in the lead

ing, old boy, the public doesn't want to know about our backyard.

Today you sometimes get the feeling that the public can't escape from the mass media's back yard.

Does he really? Twenty years ago it was almost impossible to persuade anybody in the mass media to take news about their own industry seriously.

Say. One night on BBC2 we had Open Space devoted to the Henderson Daily Examiner...

Each week BBC1 provides Take Two and Points of View for the expression of public opinion about programmes...

How fortunate that David Dimbleby was not appointed Director-General of the BBC. Bad he been given the job...

De Valois Gala/Covent Garden

Clement Crisp

We were at the Royal Opera House on Monday night to celebrate the 90th birthday of Dame Ninette de Valois...

evening's fare, from Dame Ninette herself and Sir Frederick Ashton, by way of Sir Kenneth MacMillan and John Cranko...

of choreography that is our dance heritage, and Errol Pickford and Viviana Durante repeated the Don Quixote diet in which they have shone in the Erik Bruhn prize celebrations in Toronto.

At the end, the stage filled with present and former members of the company, with Dame Ninette youthfully and magnificently herself amid the cheers...

The Brave/Bush

Michael Coveney

Sharmar MacDonald follows her remarkable first play, When I Was A Girl, with a no less interesting Scottish sequel transposed to the Algerian desert...

On her first day in the hotel, Feris has seen off a local rapist and treats him to a stream-of-consciousness self-revelatory jabber while he lies dead, or dying, at her feet...

Her condition is clearly clinical, speech racing ahead of thought like a person submitting to psychoanalysis. What Miss David conveys very well is that sense of literally unwrapping yourself in foreign climes...

tiously explores the sisters' abrasively niggling and different views of life back home while developing a black and comic 'hide the body' action.

Simon Stokes's production is very well organised, and beautifully designed and lit by Robin Don and Rick Fisher.

White's snappy translation to get across. Reginald Woolley's sets are on a shoestring budget...

There is more humour in the comic numbers - the wrong-note march for the cannibals, Friday's neo-rumba - than Peter Robinson, on rather sedate form, allowed to emerge, and pit-glossed balance needs careful control for all the felicities of Don

Hence, of course, the title, which is less about Algeria than notions of Scottishness. Scotland the not so brave is another country. The rape, never established, of Feris, is likened to the tourist invasion around the pool.

Simon Stokes's production is very well organised, and beautifully designed and lit by Robin Don and Rick Fisher.

White's snappy translation to get across. Reginald Woolley's sets are on a shoestring budget...

Time and the Conways/Derby Playhouse

B.A. Young

Priestley was obsessed with Dunne's theory of serial time, but there is not much in his time plays about it.

What he does with time, however, is simply to employ it so that two cross-sections can be laid side by side for contrast.

Act One is set in 1919. The Conways - selfish widowed mother, daughters Hazel, Carol, Madge, and Kay, sons Alan and Robin are celebrating Kay's 21st birthday with Charles.

Pretty Joan Helford and handsome Gerald Thornton are there, and Gerald has asked his boring young friend Ernest Beavers. Beavers is after Hazel, who can't bear him, Joan is mad about Robin, just demobilized from the RAF and wearing a uniform unlike any RAF kit I ever saw.

Carol, the youngest, believes that Kay, who wants to write novels, is destined for a great future. Madge is a schoolmistress, and Alan a clerk at the Town Hall.

In Act Two we leap forward 20 years (Priestley didn't foresee that this would take us to the outbreak of another war).

outbreak of another war). All has turned out badly. Mrs Conway's money is running out, and she has called a family party to discuss how to cope.

Hazel has married Beavers and is scared of him. Joan has married a man who is a drinking waster. Kay writes film gossipy for a newspaper. Madge applies for jobs as headmistress of girls' public schools. Gerald is a stuffy bachelor solicitor.

There is nothing more unusual in this than in, say, A Winter's Tale. Then Priestley adds a third act, back in 1919, full of deceitful fun.

Kay tells Alan, 'I'll never write just to please silly people.' Alan has made a timid approach to Joan, only to see her fall into the arms of Robin. Beavers is repulsed by Hazel, and Carol finds some decent things to say to him.

These automatic reversals of fortune seem a little machine-made, and have little to do with Dunne's theories.

Alison Skilbeck makes Mrs Conway simultaneously charming and dislikeable, and it is director Matthew Francis's responsibility that she too often seems to be drilling her company like soldiers.

Carla Mendonca is a convincing Kay in both periods, and Tamsin Olivier, whom I last saw as the unemotional Mrs de Winter, is delightfully childlike as Carol. Most of the parts are short of roundness.

I think if the director could have infused a little more movement into those family groups, we should have seen more life. The Conway sitting-room is somewhat bleakly furnished by Ian MacNeil.

Ages Ago/King's College

Richard Fairman

There was no shortage of light English operas in the latter half of the 19th century.

This purpose of this event, mounted under the auspices of the London International Opera Festival, was to dig back in that pre G & S era.

The good fortune of Frederic Clay's operetta Ages Ago is that it has a libretto written by the young Gilbert.

There is a strong sense of déjà vu in anybody who is fond of Ludovic; but that apart, it is good to find Gilbert's sharp pen searching out the ironies of the plot and then working them this way and that, like a real professional.

Unfortunately there was little that could be said for its companion of the evening, Macfarren's Jessy Lea - an uninspired re-working of Donizetti's L'elisir d'amore in an English seaside setting (super picture postcard designs).

There is more humour in the comic numbers - the wrong-note march for the cannibals, Friday's neo-rumba - than Peter Robinson, on rather sedate form, allowed to emerge, and pit-glossed balance needs careful control for all the felicities of Don

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Robinson Crusoe/Guildhall School

Rodney Milnes

Offenbach's glorious opera comique is both a good piece for students (lots of roles) and a piece for good students (it needs not only voices but the knack of putting a number across, hitting the audience right between the eyes).

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White's snappy translation to get across. Reginald Woolley's sets are on a shoestring budget...

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There is more humour in the comic numbers - the wrong-note march for the cannibals, Friday's neo-rumba - than Peter Robinson, on rather sedate form, allowed to emerge, and pit-glossed balance needs careful control for all the felicities of Don

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Arts Guide

Theatre

LONDON

On a Hot Tip: Rod (Lyttelton). Ian Charleston and Lindsay Duncan lead this white hot National Theatre revival of Tennessee Williams's play directed by Howard Davies.

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WASHINGTON

The Search for Signs of Intelligent Life in the Universe (GlobeWorship). The star turn at Sotheby's sale of Chinese ceramics and works of art yesterday, estimated at \$250-300,000, it soared to a world record of \$985,000.

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NEW YORK

Parade (New Street). August Wilson hit a homerun, repeating his West End role as Jean Valjean, the magnificent spectacle of Victor Hugo's majestic sweep of history and pathos brings to Broadway lessons in patriotism and drama, if not strict adherence to its original source.

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CHICAGO

Pal Joey (Goodman). Set in Chicago in the 1940s, this Rodgers and Hart classic, directed by Robert Falls, follows the escapades of a classic heel caught between the one who loves him and the rich lady he wants, in haunting melodies.

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NETHERLANDS

Amsterdam Stadschouwburg. The English-Speaking Theatre of Amsterdam continues its 10th anniversary summer season with two plays: Svarog's American Gothic, directed by the author, a musical comedy about a family's reactions as the son-in-law changes unwillingly into a famous comic-book book hero (Ct. Dan) and Emerald City, by David Williamson, a humorous look at rivalry and moral decline among Sydney's high-fliers (Wed, Thur, 04 22 11).

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TOKYO

Opera in the Katjin (Nisse Theatre). - better known as The Phantom of the Opera. Andrew Lloyd Webber's latest smash-hit enters Japan in a production by Harold Prince for the Shiki Theatre Company which is a virtual carbon copy of his London and Broadway stagings.

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THE DREYFUS INTERCONTINENTAL INVESTMENT FUND N.V. At the Annual General Meeting of The Dreyfus Intercontinental Investment Fund N.V., held in Caracas on May 12, 1988, the Shareholders of the Fund, acting upon the recommendation of the Fund's Board of Directors, declared a dividend of \$0.12 (U.S.) per share to Shareholders of record on May 27, 1988.

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Wednesday June 8 1988

An uneasy compromise

THE FOREIGN exchange markets, like the Grand Old Duke of York, have marched sturdily up to the top of the bill and promptly marched it down again. The Chancellor of the Exchequer and the Bank of England, too, having recently indicated a preference for a lower exchange rate and higher interest rates, must feel grateful for the fickleness of the foreign exchange markets, which has allowed base rates to rise by 1 per cent in a few days.

probably be inflationary pressure on those parts of the economy not subject to competition from abroad, along with expansion of the current account deficit. The current account deficit, therefore, only if it were first to survive the pressure consequent on its initial lack of credibility.

Monetary aggregates
Their problem is that the interpretation of domestic monetary aggregates has become problematic and confused, with believing monetarists in strong disagreement. It is difficult to persuade people that policy is guided by some domestic monetary aggregate or other if they think that the aggregate is meaningless and, still worse, suspect that policy-makers think the same.

Domestic demand
Suppose, instead, that the UK were on a fixed exchange rate. Interest rates would move towards those in the currency to which sterling is linked, probably the D-Mark. Given a higher rate of inflation in the D-Mark than in Germany, there would be a lower real rate of interest. With fiscal policy foregone, there would be no control over the rate of growth of domestic demand, which would depend inter alia on inflationary expectations.

The Government has stumbled on a policy that combines great flexibility in the short run with risks follow from the combination of loss of control over domestic demand with loss of the influence of a fixed exchange rate upon costs in industries subject to international competition. Long-term stabilisation of the domestic economy now depends almost entirely on the Government's willingness to react to inflation. Since the Government has made no perceptible progress in the last five years towards its frequently announced goal of reducing inflation to zero, this is a slender thread on which to hang policy.

Broader courses for sixth forms

THERE IS AN obvious weakness in Britain's proposed educational reforms. Mr Kenneth Baker, the Education Secretary, is introducing a broad National Curriculum for 5-16 year olds and reforming the universities. But he is failing totally to address the educational needs of sixth formers. Yesterday, an independent committee chaired by Professor Gordon Higginson, the Vice-Chancellor of Southampton University, argued powerfully that 16-18 year olds should study five subjects, instead of the two or three A levels now customary. Mr Baker, instead of seeing the logic of extending a broad curriculum into the sixth form, dismissed the report out of hand.

P. Snow, the novelist and scientist, railed against the absurdities of the British educational system in his classic essay 'The Two Cultures'. Scientists, he lamented, typically could not write decent prose and poets could do nothing but calculate percentages and considered science and technology beneath them. Some progress has been made in the past 25 years. More sixth formers study a mixture of arts and science subjects and the introduction of less demanding AS levels is encouraging some 'scientists' to take a subsidiary interest in the arts and vice versa.

Sensible grounding
The Higginson committee, however, is surely right to argue that more vigorous steps should be taken to end premature specialisation. How can a system that allows combinations of A levels such as Biology, Chemistry and Physics or English, French and German possibly provide a sensible grounding for 16-18 year-olds? All sixth formers surely ought to study at least five subjects and achieve some balance between the arts and sciences. There is plenty of time for specialisation at university. The argument that a narrow A level course is essential if 'standards' are to be maintained is specious. The US, with its broad and related high school syllabus, is hardly short of top scientists, linguists or historians.

Odd man out
Britain is the odd man out. Children in their final years of school study fewer subjects than in almost every other advanced country and are under no obligation to follow a balanced curriculum. The consequence is that very few people, even those who have attended the best universities, can consider themselves well-educated. The typical arts graduate will have studied no maths beyond the age of 16 and may have abandoned science at the age of 13 or 14. The average science graduate will not have studied English literature, foreign languages, classics or history beyond his mid-teens and again may have dropped some of these subjects at an earlier stage. A quarter of a century ago, C.

Andrew Gowers, Tony Walker and Anthony McDermott examine arms escalation in the Middle East

A deadly race out of control

AS HE struggles to make progress in his efforts to resolve the Arab-Israeli conflict, George Shultz, the US Secretary of State, has sounded the alarm about a disturbing escalation in the regional arms race. Three recent trends - a dramatic proliferation in the deployment and use of ballistic missiles, the flagrant development of chemical weapons by at least one party to the Gulf War, and a recent leap forward in Israel's ability to target nuclear weapons over long distances - have contributed to unease in Western capitals and in Moscow.

Ironically, just at a time when the superpowers have exhibited at the summit in Moscow a desire to limit their own missile arsenals, the struggle by the states of the Middle East to acquire new and more sophisticated weaponry appears to have developed a life of its own. It has been encouraged by competition among an increasing range of Third World arms suppliers. In effect, the superpowers are losing their monopoly and therefore their control.

Mr Shultz underlined his concern about these developments in remarks to reporters in Jerusalem last weekend. 'The proliferation of longer-range missiles and chemical weapons threatens to make future conflicts that much more destructive,' he said. 'We want to avoid any war that will be unlike any conflict we have seen before, involving more casualties and proving harder to contain. These realities increase the stakes dramatically for the parties, and lead to the notion that time works in favour of accommodation.'

Table with columns: COUNTRY, MISSILE, PRODUCERS, RANGE, PAYLOAD, STATUS. Rows include ISRAEL, JORDAN, LIBYA, SAUDI ARABIA, SYRIA, and IRAQ.

China's DF3A surface-to-surface missile, known in Washington as CSS-2, is a medium-range, two-stage missile. These missiles, though intended as a deterrent against Iran, have a range of 1,500 miles, and are therefore capable of hitting targets as far away as Greece, the Soviet Union and India.

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found effects on thinking in Israel's defence community. 'Israel will come to rely far more heavily on its nuclear deterrent - possibly in a declared mode - in reaction to the continuing acquisition by the Arab world of ever larger and more sophisticated arsenals of conventional arms and weapons of mass destruction, both chemical and nuclear,' he said.

The new regulations are aimed at slowing the development of missiles capable of hitting a target the size of a small city from a distance of 300 km, or further, and which are capable of carrying warheads of 500 kg or more. Significantly, this distance was specified to ensure the inclusion of missiles used in the Middle East where key capitals are set close together.

However, it is acknowledged in arms control circles that the introduction of the MTCR is 'too little too late'. For one thing, companies from countries such as West Germany, France and Italy - signatories to the regime - have collaborated extensively either directly or through subsidiaries with Third World missile producers like Argentina. Furthermore, enforcement of the regime poses big problems since it is difficult in practice to distinguish between military and civilian uses of the technology transferred. An additional weakness of the MTCR is its limited membership - neither the Soviet Union nor China or other Third World missile producers are parties to the agreement, although Moscow has agreed to consider joining.

The fear is that the spread of missile technology will bring closer an Arab-Israeli nuclear arms race.

World War have chemical weapons been used with such frequency. Second, the new escalation coincides with deepening pessimism about the possibility of a comprehensive Middle East peace settlement and continuing severe political strains in the Arab world. A number of experts on the region spoke of the virtual inevitability of another Arab-Israeli war at the recent conference in Oslo. The closed conference was set up by the Norwegian Institute of International Affairs and brought together west European and Soviet participants as well as some US veterans of arms negotiations stretching back to the Eisenhower era.

Boot begins to fit

The Denver Boot may not have been designed to be when it was introduced in London five years ago. In spite of the £25 fine for a clamped vehicle and an £12 parking ticket, some companies believe it is worthwhile to have their employees covered by a clamping recovery service. One operator, the Car Clamp Recovery Club, is confident enough to advertise in the press this week for the first time. Operations director Constantine Tsoufas said that newspaper advertising reached a wider audience than seeking letters on clamped cars. His club charges a £25 membership for the service with the additional charge of £34.20, inclusive of fines, per clamped car, or £51.45 if you want it chauffeured back. Companies or fleet-holders pay £200 a year. Tsoufas said: 'We are used by major companies, estate agents, solicitors, doctors with private practices and several hotels. Clamping is on the increase. The Metropolitan Police had 111,032 clampings in 1987, a rise of 77,762 on the previous year due to the recruitment of private contractors. Department of Transport studies have found that clamping has cut illegal parking in London by almost a half but the AA points to an elite of habitual offenders which the authorities cannot reach, and it would like the clampers to be more selective. The AA used to be against clamping but it has had a change of heart. A spokesman said yesterday: 'Our members tell us now they think it is a good thing.'

Yankee cheer

One of the least-noticed changes in international affairs in the last decade or so has been the decline of anti-Americanism in Latin America. One says that largely from anecdotal evidence and none too loudly because there is still a general tendency not to believe it. And, of course, it is true that official US support for the Contras in Nicaragua can be cited to show that American policy has not much changed over time. Yet changed it has. On the whole, the Americans go for easing out the more unpleasant Presidents rather than shoring them up. In Latin America itself in the 1960s anti-Americanism was almost a cult and the heroes were Che Guevara and Fidel Castro. Today one hears very little of all that. Some more substantial evidence of the change in attitudes has now been produced. A paper prepared for the annual conference of the World Association for Public Opinion Research in Toronto last month notes that more than half of the Argentinians surveyed now believe that their country's relations with the US are either good or very good. In 1984 the figure was one in five. There has also been a striking rise in those who regard the maintenance of good relations with the US as important. Confidence in the US is at its strongest among executives, professionals and - this is the big change - university students. The paper is by Frederick C Turner of the University of Connecticut and Maria Carballo de Cilley of the Catholic University

Quantum theory

In March it seemed as if Andrew Krieger had already enjoyed his Werholician 15 minutes of worldwide fame. But the world's most daring currency options trader keeps sneaking back. Until January, the 32-year-old Krieger was just another highly-paid trader manning the phone lines in the currency dealing room at Bankers Trust. By April, when he resigned, he had become the world's most famous foreign exchange trader, credited with the \$338m currency profit the bank reported for the fourth quarter of 1987 - the biggest quarterly trading gain recorded by a US bank. Last month he took on the Bank of England. Krieger was behind the currency trading of George Soros's Curacao-based Quantum Fund, which was

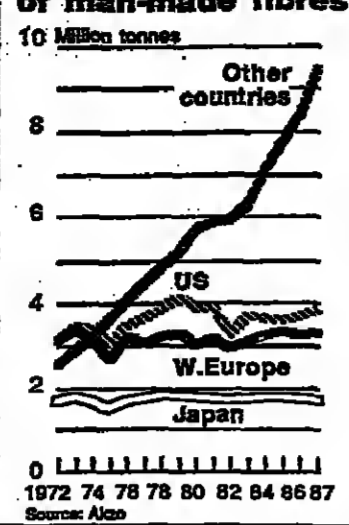
Advertisement for Sky Courier International. Text: 'THERE IS AN ALTERNATIVE' Small Enough To Care Big Enough To Deliver Sky Courier International West Drayton Tel: (0895) 445580

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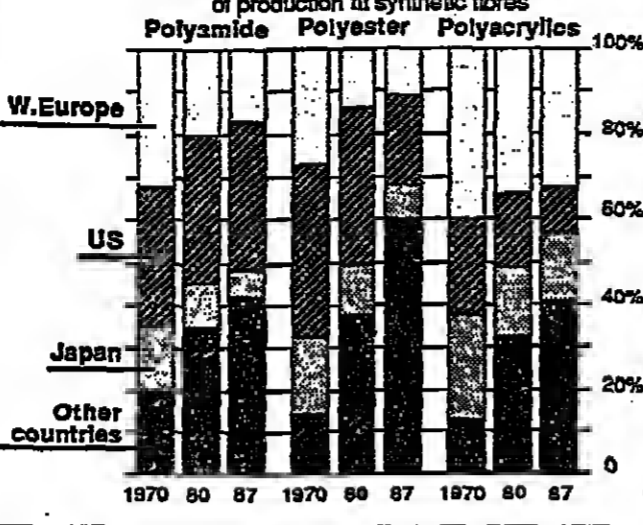
EUROPEAN MAN-MADE FIBRES

IN THE PAST decade the West European artificial fibres industry has responded to economic pressure by moving upmarket into higher value products with high-tech applications.

World production of man-made fibres



Geographical breakdown of production of synthetic fibres



A long, hard road ahead

By Peter Marsh and Alice Rawsthorn

The industry expects, over the next few years, to have to cut its annual output of some 3m tonnes by between 10 and 25 per cent. The larger companies which include many of Europe's big chemical concerns, such as Akzo and Hoechst, ICI and Courtaulds in the UK and France's Rhône-Poulenc, may soon be embroiled in another round of reorganisation. Many smaller companies, meanwhile, are likely to disappear.

These trends have accentuated the need for fibres producers to refine their products and have thus increased the necessary level of investment. Hoechst's fibre division spends about 3 per cent of turnover on research and development and some 7 per cent on new production plant, higher ratios than in many other sectors of chemicals.

The need for higher investment will make it more difficult for the smaller fibre producers - those with output below a minimum of 125,000 tonnes - to survive. They will be unable to secure the economies of scale needed to remain profitable.

Other small producers in Europe which could succumb to takeover from the big concerns include Vovmix of Greece and Spain's Nurel, both of which produce polyester and nylon. These problems are compounded by the inherently poor growth prospects of the European textile industry.

British Rail

Privatise it - but do not split it up

By David Sawers

TO SUGGEST privatising British Rail - a corporation that is currently aiming to cut its annual loss, expressed in 1986 prices, to £55m by 1989-90 - must appear eccentric. But it is conceivable that, apart from the country routes that form its "Provincial Sector", British Rail could be profitable within the next five years - as long as all goes well with BR's plans, economic growth continues and there is the political will to see fares rise on commuter services.

BR's Provincial Sector, which serves country areas, covered less than a third of its costs in the financial year 1987. The Inter-City sector, the main line express services, covered 87 per cent of costs, while Network SouthEast, the commuter services in south-east England, covered 81 per cent of costs. The Inter-City services are now intended to operate without subsidy, while the subsidy for Network SouthEast is intended to fall.

Independent companies operating trains. A geographical split could not create any direct competition, although it could provide comparisons of efficiency, operating methods and technology. But the units would be relatively small; their profitability is likely to vary; and the company with the most commuter services would be heavily influenced by government regulation. Their salesability is therefore likely to vary as well; while the most interesting assets for investors - urban property - might be difficult to divide evenly among several companies.

According to Professor Jean-Louis Juvet, director-general of CIRFA, a Paris-based trade association for the fibres industry, the profits of West European companies last year were reduced by roughly £100m as a result of the import surge. Most producers expect the reduction in profits to continue this year. A few companies, like Rhône-Poulenc and Bayer, could make losses.

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The concept of a separate track and competing operating companies is an ageing favourite among academic economists. It assumes that several companies will be willing to buy or lease trains and operate them in competition on the busier routes, just as airlines or bus companies compete. Unfortunately for this dream, a train costs more than a bus; a second-hand train is less easy to sell than a bus or an aeroplane, especially in a country that has a different loading gauge from the rest of Europe; and trains running on the same track are more likely to interfere with one another than buses using the same road or airlines using the same route.

In addition to the three "ifs" which will determine whether BR is profitable enough for a sale to be conceivable, two more conditions would have to be met for a sale to be possible. The government would have to: close down most of the provincial services or devise a means of subsidising them that would be acceptable to a commercial concern; devise a framework in which commercial railway companies could operate successfully, and in which the interests of travellers were protected where railways have an effective monopoly.

The London commuter services are the only part of BR that would require regulation after privatisation; they have few competitors, so that fares can be increased, and the quality of service decreased, without much loss of traffic. An equivalent of OfTel (the Office of Telecommunications, which oversees the privatised British Telecom) might be set up to regulate these services, perhaps in conjunction with the railways of London Regional Transport, which are the other main means of commuter travel for Londoners.

Both these schemes for dividing BR would be more likely to reduce the chances of selling the organisation and to increase its costs than to create competition and improve efficiency. In practice, the form in which BR could be sold is likely to be determined by what the market will buy, rather than by the government's wishes. If BR is sold as a single unit, the benefits would not be large, but they are worth having. Living in the private sector would encourage BR's management to improve efficiency and discourage the government from promoting inefficiency. It would have to specify every uneconomic service that it wanted BR to retain. This publicity should discourage the government from subsidising grossly uneconomic services; it would help to free resources for more productive uses.

Farming protected

From Mr P.G.M. Grieg. Sir, Mr Cecil Parkinson, UK Secretary of State for Trade and Industry, has rightly stated that "competition" makes industry stronger and that is why we will not put up barriers to coal imports.

It is indeed a tragic spectacle

From Mr Peter Palumbo. Sir, Within the cosy confines of an academic ivory tower, from which the inhabitant views the world at large with imperious authority, through the wrong end of a telescope, it is all too easy to remain in ignorance of the realities of life, and this is indeed the tragic spectacle of Mr Girvan (Letters, June 6) and his cohorts.

Many do not earn much more than financial journalists

From Mr D.A. Beall. Sir, Lex's references to ANZ and Capel-Cure (May 28) should not be allowed to go unanswered, and the generalisation that private client stockbroking will simply end up in the hands of high-street banks or local stockbrokers is wide of the mark.

Letters to the Editor

Losers still look likely

From Mr Bernard Tennant. Sir, John Hunt's article (June 3) highlights a certain amount of inconsistency in the Government's arguments of principle on the proposed new rating system.

Material need is not the point

From Mr John Stott. Sir, As an ordinary Anglican I am not as impressed as John Lloyd (June 3) by the Diocese of Winchester publication, Faith in the City: Theological and Moral Challenges.

From trains to television

From Mr Warren L. Ford. Sir, I was interested to read (May 25) that the BBC has chosen a senior British Rail executive as its next director of finance. My friends have asked whether this will mean that in future most programmes will be late, half the advertised length, and that we shall have to stand to watch them.

Reversionary bonus rates

From Mr W.N. Anderson. Sir, It was interesting to read Eric Short's article about the cut in National Mutual's reversionary bonus rate and their view that reversionary bonuses will, in the future, become more volatile (May 28). This cut was especially interesting as the much maligned free asset ratio was as high as 30 per cent in 1986.

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FOREIGN INSTITUTIONS TO BE ALLOWED TO BID FOR UK'S SIXTH LARGEST BANK
London set to privatise Girobank

BY DAVID BARCHARD IN LONDON

GIROBANK, the British Post Office's banking subsidiary which ranks as the sixth largest UK bank with more than 2m customers, is to be privatised this autumn. Mr Kenneth Clarke, Minister of Trade, yesterday told the House of Commons.

Mr Clarke said Girobank had reached the stage when it was ready to go into a private sector environment and would benefit by doing so. He made it clear that the Government intended to ensure that the sale increased competition in the banking sector as well as obtaining a good price for the bank.

Intel and Siemens in computer venture

By Louise Kehoe in San Francisco

INTEL, the US semiconductor manufacturer, and Siemens of West Germany, yesterday announced the formation of an important computer joint venture.

The new company, called BIN, will build "mission-critical" computer systems in both the US and West Germany and will be owned on a 50:50 basis by the two companies.

The companies said that BIN would address an estimated \$600m market for computer systems at the core of business operations, such as the on-line transmission systems used by banks and airlines.

Financial details of the joint venture were not released. The companies also declined to comment on the projected size of BIN, but indicated that they saw it as a major new business opportunity combining the technology and resources of both companies.

Intel and Siemens have a long-standing relationship involving technology exchange and licensing agreements going back for almost a decade.

Hartley resigns as head of Unocal

BY JAMES BUCHAN IN NEW YORK

MR FRED HARTLEY, the pugnacious head of Unocal who became a standard-bearer for America's management class in its battle against Wall Street's corporate raiders, is resigning as chief executive of the West Coast oil company he has headed for 24 years.

The decision to step down, which was announced with typical brusqueness from Unocal's Los Angeles headquarters late on Monday night, appears to take from the day-to-day running of Unocal its firmest and cruelest defender against sale or break-up.

Mr Hartley, 71, will be replaced by Mr Richard Staggenier, 50, the company's president and an engineer. His boss, Mr Hartley, will remain as chairman for the moment.

Court backs Eastern Air over right to sell shuttle operations

BY ANATOLE KALETSKY IN NEW YORK

EASTERN Air Lines, the struggling, heavily unionised subsidiary of Texas Air, the biggest US airline holding company, yesterday won an important round in its long legal battle with the International Association of Machinists and Aerospace Workers.

A Federal Appeals Court struck down an earlier injunction barring Eastern from selling its New York to Washington and Boston air shuttle operation to another, non-unionised subsidiary of Texas Air. The sale of the shuttle was a key component in the controversial industrial relations strategy pursued by Mr Frank Lorenzo, Texas Air's chairman.

By transferring the highly profitable shuttle operations outside the jurisdiction of the IAM and other unions, Mr Lorenzo hoped to increase his bargaining power in the protracted negotiations designed to reduce Eastern's labour costs towards the levels prevailing at Continental, Texas Air's non-unionised airline. The IAM, which is Eastern's biggest union, represents unskilled workers such as baggage handlers, as well as maintenance mechanics, was to have braced the brunt of the wage reductions. It challenged the sale of the shuttle in the courts, charging that it would conflict with an earlier injunction that barred Texas Air transferring

Pritzkers in Pacific hotel move

BY OUR FINANCIAL STAFF

THE PRITZKER family of the US, which owns the Hyatt Hotel chain, will join Hong Kong's William Hunt Holdings in purchasing the Australia-based Southern Pacific Hotel Holdings, according to William Hunt.

The publicly listed Hong Kong investment company announced in March that it had agreed to buy the privately held hotel chain from Tan Sri Khoo Teck Fook, the Malaysian entrepreneur.

At the time, William Hunt said it was looking for a partner to help cover the \$550m (US\$429m) purchase price.

According to a William Hunt statement, Pritzker family interests have agreed to buy 33 per cent of Southern Pacific, and William Hunt will retain the remaining 67 per cent.

The company said the purchase would be financed partly through syndicated term and working capital loans being arranged by the Hongkong Bank through its subsidiary, the Hongkong Bank of Australia. Mr Anil Thadani, managing director of Hong Kong venture capital company Arral & Partners, which owns a big stake in William Hunt, said the loans may be taken out by Southern Pacific itself, rather than the purchasers. He refused to disclose the size of

Thorn plans new Holophane bid

BY GEORGE GRAHAM IN PARIS AND CLAY HARRIS IN LONDON

THORN EMI, the UK electronics and entertainment group, plans to launch a new bid for Holophane, the French lighting equipment and industrial glass manufacturer, even though a majority of shares is "irrevocably" committed to a rival offer from Emess, a smaller UK lighting company.

The new offer is expected to be launched within the next few days. Thorn's advisers hope they will be able to unravel the acceptance given to Emess by institutions and family shareholders speaking for 57 per cent of Holophane's capital.

Although previous French case law appears to allow such irrevocable commitments, Thorn's adviser, Lazard Freres, believes that acceptance cannot be irrevocable during an offer period.

because this would damage minority shareholders' interests by preventing higher bids. "It conditions are clear for us to bid, we'll certainly bid," Thorn said yesterday. "We believe in many ways that the commitments may be more moral than legal."

Emess and its bankers, S.G. Warburg and Credit Commercial de France, are nevertheless convinced that their deal is unshakable. "As far as we are concerned the commitments are irrevocable. There are no circumstances in which they can be withdrawn," said Mr Kenneth Costa of Warburg.

Under French takeover rules, which are slowly evolving and have not yet developed a sufficient body of case law to cover all eventualities, a Thorn bid would have to top the Emess offer by at

WR Grace fertiliser unit sold for \$263m

By John Wicks and Our Financial Staff

W. R. GRACE, the US chemicals and natural resources conglomerate, is to sell its Bartow, Florida, phosphate fertiliser operations to a consortium of investors for about \$263m in cash. The phosphate operation employs some 600 people and has annual sales of about \$360m.

The consortium, GP Acquisition, is controlled by the Cayman-based North Atlantic Group and the US company Tender Beretz Associates. The North Atlantic Group is controlled by Mr Tito Testamant, the Laguna lawyer who until recently headed a group of dissident shareholders of the Swiss engineering company Sulzer Brothers.

Grace said completion of the deal, expected during the third quarter, was subject to government approval, third-party consents and the completion of financing. The price would be subject to reduction for any debt assumed by the buying group.

The deal includes the Bartow phosphate complex, the Hooker's Prairie phosphate rock mine, a 50 per cent interest in Fort Meade Chemical Products, an ammonia terminal in Tampa and other related assets.

Grace says that if the sale was completed it would have substantially achieved the sale of its agricultural chemicals business, which it announced last year. It also appears that Grace will not need the full \$221m less reserve it established in 1986 to cover operating and investment losses.

Grace says that, except for a multipoint ammonia complex in Trinidad which it operates with the Government of Trinidad and Tobago, it expected to sell remaining agricultural chemical facilities by the end of 1988.

Plot takes new twist in Spanish banking merger

BY TOM BURNS IN MADRID

THE PLOT has thickened in the banking merger between Spain's two largest banks, Banco Central and Banco Espanol de Credito (Banesto).

This follows news yesterday that Charter Central, a joint venture linking the domestic property construction company Contratas (ConyCon) and the Kuwait Investment Office (KIO) and the single biggest shareholder in Banco Central, has started buying Banesto shares with a view to holding the whiphand when the two banks finally merge.

The move by Charter Central, a company controlled by Mr Alberto Alcocer and Mr Alberto Cortina, the wealthy ConyCon owners who are popularly known as the "Albertos", has prompted speculation about who will eventually win the battle for the bank. The new bank is to be known as the Banco Espanol Central de Credito (BCC).

A ConyCon official said yesterday that Charter Central was making "in principle a friendly bid for Banesto and although we have not talked to them (Banesto) we are open to a dialogue".

day that Charter Central was making "in principle a friendly bid for Banesto and although we have not talked to them (Banesto) we are open to a dialogue".

Since the middle of last week Charter Central has acquired 2 per cent of Banesto stock for an estimated Pta 6.5bn (\$57m) and is seeking "at least" a further 2 per cent.

Charter Central, which is 51.2 per cent owned by ConyCon and 48.8 per cent owned by Torres Hostench, the domestic company and main KIO investment arm in Spain, at present owns some 13 per cent of Central's stock.

This equity will represent around 6.5 per cent of the shares in BCC and Charter Central's strategy as of last week is to buy strongly into Banesto in order to increase its shareholding in the newly emerging BCC to a clearly dominant 10 per cent.

Charter Central recently approved a capital increase, met equally by ConyCon and the KIO

interests, worth Pta 20bn. This had been seen as a preparatory move before increasing its holding in Banco Central.

The decision to buy instead into Banesto with the aim of acquiring a psychologically important 10 per cent stake indicates an aggressive turn on the part of Charter Central which seemingly clashes with the strategy mapped out by Central's chairman, the ageing Mr Alfonso Escamez and by Banesto's Mr Mario Conde, the 39-year-old wizz-kid of Spanish banking.

Mr Escamez's relations with the "Albertos" and with Charter Central have been strained and despite their shareholding in the bank they were not consulted about the merger with Banesto.

Mr Conde, who emerged as Banesto's chairman and, with some 6 per cent of its stock, its largest shareholder at the end of last year, is less than likely to be favourable to the Charter Central raid.

Du Pont to boost Lycra output

BY ALICE RAWSTHORN IN LONDON

DU PONT, the US chemicals group, plans to invest \$200m in the next 18 months to increase production of Lycra, its elastane fibre, throughout the world to meet growing demand from the international textile industry.

The investment is intended to increase the manufacturing capacity for Lycra by 70 per cent by the end of next year.

It will be the first phase of a larger spending programme aimed at doubling capacity in the next five years.

Lycra is the brand name for the elastane fibre developed by Du Pont in the 1950s. It is produced from eight plants around the world and holds the dominant position in the international elastane market.

Originally elastane was used as a substitute for rubber in women's foundationwear, such as corsets and bras. Since the late 1960s it has been used for swimwear, hosiery and, more recently, in underwear.

The emergence of elastane as a fashionable fibre in these areas, combined with continued growth from the established underwear and swimwear markets, has ensured that producers - such as Du Pont and Bayer of West Germany, its chief European competitor - have experienced a surge in demand.

Mr Salim Ibrahim, director of Lycra worldwide, said Du Pont had been unable to satisfy demand for the fibre for the past eight or nine months. It anticipates a further increase

in demand in the next few years and has decided to expand its capacity.

The first phase of expansion will be concentrated on Du Pont's US and European elastane plants - at Waynesborough in Virginia, Dordrecht in the Netherlands and Maydown in Northern Ireland.

It will also cover its other elastane plants in Canada, Brazil, Mexico and Argentina, as well as a joint venture in Japan. This year Du Pont intends to increase its Lycra capacity by 25 per cent. The group has yet to finalise its plans for the full investment programme but Mr Ibrahim expects capacity to have doubled in the five years from 1987 to 1992.

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INTL. COMPANIES AND FINANCE

Result of inquiry into Texas Air provides boost for chairman

Lorenzo wins new battle with unions

BY ANATOLE KALETSKY IN NEW YORK

MR WALTER REUTHER and Mr Eugene V. Debe may be turning in their graves, but the decisive battles between American capital and labour today are being fought far from the traditional battlefields in grimy auto factories and steelworks.

The Industrial Waterloos of the 1980s have been fought in the aircraft hangars, cockpits and control towers of the country's air travel system.

Since 1981, when President Ronald Reagan fired most of the country's air traffic controllers, the unions in the newly deregulated US air travel business suffered one crushing defeat after another.

That man is Mr Frank Lorenzo, the founder and chairman of Texas Air, a company which he transformed in less than 10 years from a mere speck on the horizon into the biggest airline fleet in the non-Communist world.



Frank Lorenzo, above: Transformed Texas Air into biggest fleet in the non-Communist World, and an Airbus from the fleet at Eastern Air Lines, his recently acquired subsidiary, where he is preparing for a make-or-break confrontation with the unions

Bankruptcy

The key to this achievement, as Mr Lorenzo himself has frequently made plain, was his decision in 1983 to buy the struggling Continental Airlines and promptly declare it bankrupt.

The bankruptcy enabled Mr Lorenzo to abrogate the company's labour contracts, provoke a strike and rapidly clear both the union leaders and their sympathisers out of his airline.

Last week, Mr Lorenzo seemed to emerge victorious again from his latest life-and-death struggle with the unions.

When the Department of Transportation released a report on Thursday stating that Texas Air's operations were safe and financially sound, Mr Lorenzo was openly exultant, while the unions at his recently acquired Eastern Air Lines subsidiary immediately denounced the DOT's investigation as a "white-wash."

Since buying the highly unionised Eastern last year, Mr Lorenzo had been quite openly preparing for a make-or-break confrontation with the company's biggest union, the International Association of Machinists.

His objective was to reduce the pay of unskilled IAM members, such as baggage handlers, to "market levels," about 50 per cent below their current earnings.

And he had made no secret of his plans to follow this up with smaller reductions in the pay of other workers, including pilots, so as to cut Eastern's total labour costs to about the level at Continental, where they average about 25 per cent less.

The DOT study was prompted essentially by a huge public relations campaign conducted by Eastern's unions with the aim of persuading legislators in Washington, as well as potential customers, that Mr Lorenzo's attempts to slash the airline's operating costs imperilled passenger safety.

The very announcement of the unprecedented investigation in April looked like a major victory for the unions and a big embarrassment for Texas Air.

But over the weekend, the company rather than the unions seemed to be benefiting from at least the initial reactions to the study's headline conclusions - that Eastern and Continental were both safe and that their deviations from Federal aircraft maintenance standards were mostly minor.

By yesterday lunchtime Texas Air's shares were up 51% at \$11.75, about 25 per cent above the low they hit just after the DOT announced its inquiry.

However, the true significance of the DOT report, even from the Texas Air investor's narrow financial standpoint, can only be seen in the light of Mr Lorenzo's long-term labour strategy and of his central, almost mythic, role in union-management relations throughout the US.

From this perspective, Mr Lorenzo's biggest troubles probably still lie ahead and the DOT report contains some strong indications that his strategy of confronting the unions is running not only out of time but also out of political leeway.

The DOT's decision that Mr Bill Brock, a widely respected Republican politician, will be appointed as a special mediator to help resolve safety disputes between Mr Lorenzo and the unions may have achieved one of the unions' main objectives - to politicise their struggle and assure it a place on the nation's front pages.

This could be especially important in the light of November's presidential election, as the political appeal of union-bashing appears to wane with the end of the Reagan era.

Lockout threat

A lockout by Texas Air - the tactic which Mr Lorenzo has been threatening since the IAM's contract expired on December 31 last year - could play into the hands not only of the unions at Eastern but of the whole US labour movement.

This is perhaps one of the reasons why the Government's National Mediation Board (NMB) has refused to clear the way for a

strike or lockout by declaring that negotiations between the IAM and Eastern have irretrievably collapsed.

Until the NMB makes this declaration, Mr Lorenzo's hands are legally tied. And Mr Brock's intervention is likely to give the NMB further cause for delay.

Meanwhile, the Democrats in Washington have already begun to make hay of the Eastern-Lorenzo battle. Not only have they been instrumental in pressing for the DOT inquiry, but Mr Michael Dukakis has gone so far as to tell a rally in Miami, Eastern's headquarters city, that he would appoint a member of the IAM as his next Secretary of Labour.

But if politics makes it much harder for Mr Lorenzo to repeat his success at Continental by breaking the unions at Eastern, the other option of striking a compromise is no more appealing.

Not only would a union contract dash Mr Lorenzo's hopes of cost cutting at Eastern, it would also set a dangerous precedent at Continental.

A deal with the IAM, and later the pilots, at Eastern could only increase restiveness of his non-unionised employees.

One of the incidental findings of the DOT inquiry was that morale at Continental was lower than at any other airline and that employees were increasingly dissatisfied at their position at the bottom of the industry's low pay league.

If Mr Lorenzo were to knuckle under to the unions at Eastern, this grumbling would undoubtedly become much more severe.

This announcement appears as a matter of record only.

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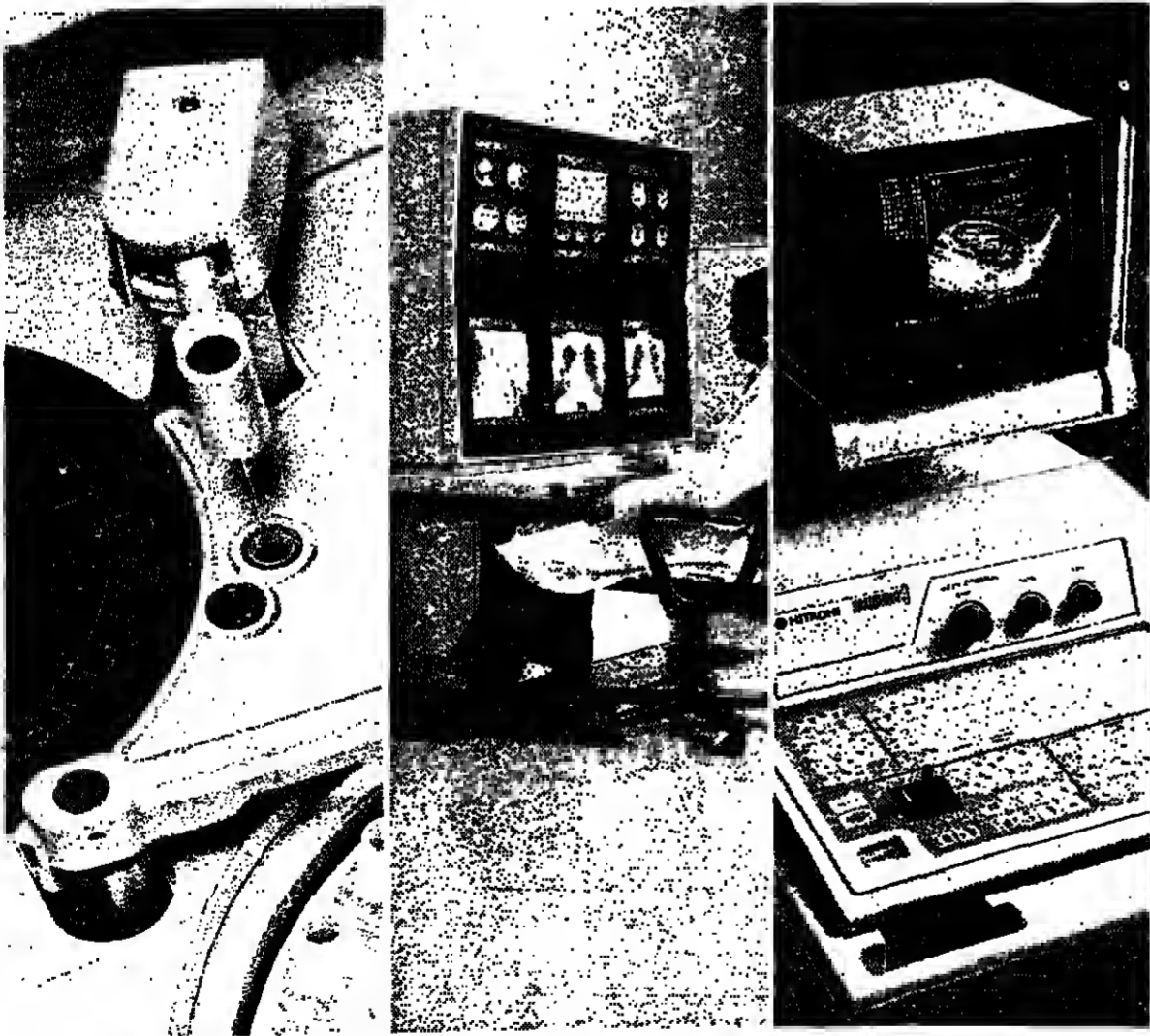
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Medicine should be more than the ability to treat or cure. The best care and treatment come from precise diagnosis.



Hitachi's advances in medical electronics extend to automatic blood chemistry analysis, a Picture Archiving and Communications System, diagnostic ultrasonics and Magnetic Resonance Imaging.

Medical electronics have brought marvelous progress to diagnostic medicine in recent years. Great strides have been made in biochemical analysis, electron microscopes and medical information systems. Another shining example is the advent of imaging equipment which uses magnetic resonance to display even the most subtle changes in body chemistry.

Hitachi's scientists and engineers are now at work on an innovative system which will make it feasible to store, retrieve and use comprehensive diagnostic data from a wide array of imaging equipment - from the most sophisticated Magnetic Resonance Imaging units (MRI) to nuclear medicine, ultrasonic scanners and X-ray CT, to name just a few. This Picture Archiving and Communications System (PACS) should lead not only to more precise diagnosis but also to formation of research and education information networks which use medical image data to the fullest.

Hitachi are also developing highly advanced electronic microscopes for exploring the world of micro-fine objects - indispensable in basic studies of medicine and biology. And we are creating medical equipment such as an automatic blood chemistry analyzer and an information processing system.

We link technology to human needs. We believe that Hitachi's advanced technologies will result in systems that serve peoples' needs more precisely and fully than ever before. Our goal in medicine - and communications, energy and transportation as well - is to create and put into practice innovations that will improve the quality of life the world around.



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UK COMPANY NEWS

Oxford confident despite sharp contraction to £11m

BY VANESSA HOULDER

Oxford Instruments, high-technology group, yesterday reported a decline in pre-tax profits from £19.5m to £11.1m, as a result of losses from its magnetic resonance imaging business (MRI).

Overall operating profits of the non-MRI businesses increased by 20 per cent. Profits from these activities have grown four-fold in the four years since Oxford went public in 1983.

The diagnostic imaging business, which had been responsible for the rapid growth in profits over past years, made a loss as production difficulties relating to the introduction of the new Compact and ActiveShield products continued into the second half of the year.

Sir Austin Pearce, chairman, said that it had been a demanding year. However, the group was successfully overcoming the challenges it faced and the results of this effort would show in the coming year, he added.

The share price rose from 204p to 217p.

The second half performance showed an improvement over that of the first six months, which resulted in pre-tax profits of £4.6m. This was a result of good performance from the non-MRI businesses, which include the supply of instruments for scientific research, patient monitoring, semiconductor processing and industrial analysis.

Lifecare ready for relisting on SE

BY DAVID WALLER

Lifecare, the nursing home group which went into receivership in the summer of 1986, is set to rejoin the stock market next month after undergoing a corporate reconstruction.

It is planned that Lifecare, a shell company with net assets of £1.9m, will merge with Aims Holdings, a private nursing home operator, in what is effectively a reverse takeover.

At the year end, net liquid funds were £20.9m. Interest gained was £1.68m compared with £1.1m last year. The company said it was looking at acquisitions to strengthen any division outside MRI.

The effect of currency fluctuations was to reduce profits by £0.75m. Although the group makes half its sales in the US, it also sources some materials in dollars, giving it net exposure of about 10 per cent.

Earnings per share declined from 27.4p to 14.5p. A final dividend of 1.5p is recommended, making a total for the year of 2.7p per share, an increase of 12.5 per cent.

Lifecare, no longer trading, has had a tangled history over the last four years. In 1986, Citibank, a major creditor, called in the receivers. On taking over, the new directors said the financial position is unclear and the records are in a mess.

Coal producer coming to USM valued at £13m

BY FIONA THOMPSON

Young Group, a private coal mining company based in County Durham, is joining the Unlisted Securities Market via a placing capitalizing it at £12.9m.

Lezard Brothers is placing 3m shares, representing 27 per cent of the enlarged equity, at 145p each, to raise £3.27m. Existing shareholders are selling 600,000 shares but the 2.4m new shares will raise £3m for the company.

Though there are over 100 private mining companies in the UK, the majority are small, employing less than 20 people. Young, with more than 370 employees, is one of the top three private coal producers in the country and will be the only one on the USM.

Young has three underground and four open cast coal mines. It also acts as contractor to British Coal on one open cast site. The £3m new money will be used to develop four major underground drift coal mining projects, which will enable the group to more than double its annual production from 220,000 tonnes in 1987 to 485,000 in 1990.

Archimedes Inv Trust

Net asset value per 50p capital share at Archimedes Investment Trust was down from 460.53p to 428.86p in the six months to April 30 1988, but earnings per 25p income share rose from 5.57p to 7.34p.

The interim dividend is raised from 5.5p to 6.5p. Pre-tax revenue rose from £98,600 to £123,376.

CASE rejects Gandalf's logic

BY PHILIP COGGAN

Gandalf Technologies, Canadian data communications group, yesterday published the offer document in its £58m bid for CASE, UK computer services company.

Since Gandalf announced its bid last month, its share price has risen to 99p. That means that the bid - 320p cash plus one share for every eight shares in CASE - is now worth 81p per share, equivalent to last night's closing CASE share price.

CASE continues to dismiss the Gandalf offer as 'derisive' and rejects Gandalf's arguments for the industrial logic of the bid.

IEP lifts stakes in two UK groups

BY CLARE PEARSON

Industrial Equity (Pacific), which is controlled by Sir Ron Brierley, the New Zealand entrepreneur, yesterday increased its stakes in Manders Holdings, the paint and printing inks manufacturer, and Viking Resources, the investment trust.

Through the subsidiary IEP Securities, the company has increased its stake in Viking from 16.375 per cent to 18.31 per cent (7.33m shares), and in Manders from 9.1 per cent (2.7m shares) to 6.7 per cent.

Mr Albert Bond, Phaedra Corporation took a 14.9 per cent stake in Viking last summer.

COMPANY NEWS IN BRIEF

ASDA PROPERTY Holdings had started the current year with some sharp increases in rental levels, annual meeting told. Sales progressing well.

BRITANNIA Security Group (security and business services), has established an American Depository Receipts (ADR) facility, sponsored by Citibank. Initially, Britannia's shares will be traded on the US over-the-counter market.

GORTON BEACH has acquired York-based Mazda dealer Peter Turnbull (York) for £750,000. In its first full year of trading it is likely to contribute £150,000 pre-tax profits.

FOOD INDUSTRIES - Open offer has been taken up in respect of 20 per cent of shares offered to minority shareholders. Goodmans International, entitled to 88 per cent, declined to take up any of the offer shares. Shares not subscribed for have been placed with various institutions and other investors.

HAMBROS ADVANCED Technology Trust's pre-tax deficit rose from £141,000 to £310,000 in the six months to March 31 1988. Loss per share was 1.61p (0.24p). Net asset value per share stood at 166p (201p).

HEAVITREE BREWERY is to pay an unchanged interim dividend of 2.4p. Profits for the half year to April 30 1988 were £227,000 (£242,000) on turnover of £2.44m (£2.4m). Earnings per share were 15.7p (15.9p).

LAMONT HOLDINGS has sold its wholly owned subsidiary James H Lamont & Company, together with its factory premises at Newbridge, Edinburgh, for £1.82m cash. The purchaser is a company formed by Mr Christopher Holcroft and Mr Alastair Pate, who have interests in the manufacture and distribution of plumbing and central heating products. James H Lamont produces compression fittings.

MERSEY DOCKS & Harbour expects a substantial increase in first half profit. With exception of general cargo, volume of all major commodities handled continued to improve, AGM told.

NORTH BRITISH Steel Group reported a pre-tax loss of £275,000 (£77,000 profit) for 28 weeks to April 16 on sales of £6.69m (£7.55m). Loss per share 6.6p (earnings of 0.3p). Chairman said full benefits of current reorganisation would not be apparent until after completion in August.

PENTOS turnover in five months of current year was 53 per cent ahead, AGM told. Excluding Ryman and property and construction, rise was 33 per cent.

ROYNER is to sell Airtouch to the management team led by Mr Nick Randall, managing director. SHEARSON LEHMAN Hutton has agreed in principle to acquire Premier Unit Trust Administration from Allied Dunbar Assurance for undisclosed terms. The US group described Premier as the largest administrator for unaffiliated trusts in the UK, maintaining and updating unit trust holdings and records for more than 260,000 accounts in 765 unit trusts with assets of £2.4bn.

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GRANVILLE SPONSORED SECURITIES

Table with 6 columns: High Low, Company, Price, Change, Gross Yield, % P/E. Lists various securities like 228 125 Am. Int. Ord., 228 186 Am. Int. Ord. OULS, etc.

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BAT INDUSTRIES advertisement featuring a hand holding a cigarette, with text: '1992 cont./', 'I therefore welcome the importance that has recently been placed on 1992 by our own government.', 'An essential ingredient for success will depend upon governments throughout Europe convincing us of their commitment to complete the internal market by 1992.', 'Opportunities for our Group', 'A single market in Europe bigger than either the US or Japan', 'The ability to sell insurance to a much wider market', 'Easier cross frontier movement for paper and pulp', 'Faster availability of products in retailing', 'Changes to the structure and rate of tax on cigarettes', 'All our European businesses have the entrepreneurial drive to grasp this opportunity....', '1992 cont./', 'Taken from comments made by Patrick Sheehy, Chairman, B.A.T Industries to shareholders at the Annual General Meeting on 2 June 1988.', 'BAT INDUSTRIES FINANCIAL SERVICES • RETAILING • PAPER • TOBACCO'

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Glass side helps Redfearn increase 25% to £1.37m

BY VANESSA HOULDER

Redfearn, the glass, plastics and flexible packaging group, increased pre-tax profits by 25 per cent from £1.1m to £1.37m in the 27 weeks to April 2, despite three divisions. Earnings per share fell from 15.13p to 12.31p.

Mr David Newbwing, chairman, said he was confident that the glass division would continue to produce good results and he expected improved performances from plastics and Flexpack. However, the results of these two businesses in the first half would offset the full year's profits and overall he did not expect earnings per share to move ahead.

Turnover increased to £53.28m (£51.19m). The pre-tax figure included an exceptional cost of £20,000, resulting from the termination payment to Mr John Pratt, the former chairman, who left after a boardroom tussle in March.

The Flexpack division, which

makes flexible packaging, was acquired last June for £19.5m and accounts for about 35 per cent of sales. It made a small loss in the latest period, after taking longer than expected to integrate into Redfearn. Some 40 people have been made redundant and certain systems and equipment are being replaced. A profit is expected in the second half.

The plastics division also made a loss, following a disappointing second quarter. This resulted from certain technical problems, now resolved, the loss of a major customer, a change in product range and mix and continued market pressures.

The glass division, which accounts for more than half of sales, increased both turnover and profits. The biggest furnace was rebuilt and recommissioned last September.

The interim dividend is unchanged at 3p per share.

comment

With two out of three divisions recording losses, these results, which were well below expectations, prompted a fall in the share price from 483p to 458p. The Flexpack division was seen as particularly disappointing after the high price paid to Buzz last Summer. On the plastic bottles side, the slump was due to a combination of one-off problems: the loss of one large customer combined with a delay from another in adapting to new machinery. The division now reckons that it is back on track, although the market remains highly competitive. Analysts expect a partial recovery from the two divisions, putting profits overall up to about £5.2m. That puts the shares on an otherwise expensive multiple of 10, reflecting some speculation about the 29.9 per cent stake held by the Antipodean, Mr Dick Pratt.

Currency factors hit PWS again

THE STRENGTH of the pound and difficult market conditions again combined to reduce pre-tax profits at PWS Holdings from £4.51m to £2.24m in the six months to March 31 1988. Earnings fell from 14.8p to 8.1p. For the year to last September profits of this medium-sized Lloyd's reinsurance broker were £7.22m.

The interim dividend is held at 3.5p.

The North American company suffered a small loss due to currency factors and management problems. However, the new management team was performing well, PWS said, and a return to profit was expected.

Three acquisitions were made and PWS regards its acquisition programme as completed for the time being.

Of the three Craven Farmer had shown strong profits growth, PWS said. Harrington Austin was expected to show a small loss in the five months to September, because of the seasonal nature of its business, but would contribute to future profits. An extensive reorganisation had been carried out at Glass, Nyham & Associates to reduce costs, but it would not contribute to profits this year.

The continued clampdown on corporate expenses was expected to result in substantial savings in the second half.

Alexanders Holdings

For the half year ended March 31 Alexanders Holdings, Scotland's largest Ford main dealer, lifted pre-tax profits from £12,000 to £582,000. Turnover was £35.7m against £30.6m.

Earnings worked through at 0.902p (0.183p) per 10p share.

Atkins lifted by reduced losses in electronics side

BY ALICE RAWSTHORN

REDUCED LOSSES in its electronics activities helped Atkins Brothers (Hosiery), the textiles and electronics group in which Mr Russell Goward's Charterhall has a 7 per cent stake, increase pre-tax profits by 39 per cent to £1.6m in the year to end-March on static sales of £20m.

Earnings per share rose to 28.4p (19.6p). The directors propose a final dividend of 7p making 10p (8p) for the year.

Three years ago Atkins, based at Hinkley, Leicestershire, diversified away from its traditional textile business by buying a small group of electronics companies. These companies lurched into losses, because of management problems.

Atkins has since introduced a new management team and has rationalised its electronics activities. It now plans to concentrate investment on Cartner, which designs electronic signs and which traded profitably last year.

Textlite, the other electronics business, was profitable in the first half but made a loss in the second because of problems with product support. The proposed management buy-out of Textlite was postponed because of these problems. Atkins is now considering whether or not to sell the company.

The electronics division, which provided 20 per cent of group sales, reduced its pre-tax loss from £286,000 to £119,000. Mr Bill

Dawson, chairman, expects electronics to produce a profit before tax this year.

Atkins has restructured its textiles interests by withdrawing from knitwear and reorganising its main site in Hinkley. Textiles turnover fell from £18m to £15m during the year, and profits slipped 14 per cent because of excess dyeing capacity and lower margins in the main hosiery business attributed to the trend away from value-added patterned rights.

comment

Atkins has had a rough ride. At first sight the decision to broaden the base of its business to reduce reliance on the all-too-vulnerable knitting industry seemed sensible. But in hindsight the foray into electronics was, at best, misguided. That said, the new British Rail and Department of Transport contracts won by Cartner last year should filter through to profits over the next year or so. The prospects for textiles are scarcely scintillating yet the retreat from knitwear has ensured that Atkins has limited its exposure to the full force of import competition. It should muster £1.3m this year putting the shares, at 310p, on a prospective P/E of 8.5, suggesting that the City, at least, perceives Mr Goward's interest as far from passive.

Rowlinson rises 40%

Rowlinson Securities, Cheshire-based property and construction group, yesterday revealed taxable profits 40 per cent higher at £1.55m in the 12 months to end-March.

The outcome was posted despite a contraction in turnover to £6.21m (£7.01m). Tax took £527,000 (£236,000), leaving earnings of 8.23p (7p) per 10p share.

The directors propose a final dividend of 0.65p, making 0.9p (0.75p) for the year.

The annual revaluation of the group's property portfolio showed a surplus of £2.7m.

Chapman ahead 23% to £1.92m

Taxable profits of Chapman Industries, envelope manufacturer, expanded by 23 per cent to £1.92m in the 53 weeks to April 2 on turnover up from £22.11m to £37.98m.

Tax took more at £652,000 (£568,000), leaving earnings of 29.5p (23.9p) per 50p share. The directors recommend a final dividend of 7.4p for a 10p total (9.25p).

An extraordinary charge of £246,000 (£154,000) related to the restructuring of the warehousing and distribution operation and costs of the closure of Croydon-based Chapman Graphics.

Nick Bunker runs an update on BAT's efforts to acquire Farmers Waiting for Ms Gillespie's decision



Leo Denlea Jr - Farmers' chairman and chief executive

VAN NESS AVENUE is Dashiell Hammett country - a long, undulating, misty San Francisco street in the part of the city where the detective writer set his novel *The Maltese Falcon*.

It is also the business address of Ms Roxani Gillespie, the California insurance commissioner. She is now writing the next chapter in another tangled story: the six-month old \$4.5bn (£2.5bn) hostile takeover bid by the UK's BAT Industries for Farmers Group, one of the state's biggest property/casualty insurers.

Next week - on June 17 - Ms Gillespie will deliver her department's verdict on whether BAT can proceed with its \$63 per share tender offer. And because California is Farmers Group's biggest operating territory, her decision is expected to be a crucial factor in determining the fate of the bid.

In the last few days, the tide appears to have been turning strongly in favour of the British tobacco-based multinational, with Friday's news that it has gained regulatory approval in Arizona and almost certainly won a key vote taken at the Farmers Group annual stockholders' meeting last month.

The results of the vote can still be legally challenged, but preliminary figures show that BAT secured 27.25m votes in favour of a non-binding resolution urging the Farmers' board to start bid talks. Only 28.5m were cast against the motion, and there were 234m abstentions.

Farmers claims that under its bye-laws BAT actually needed support from 50 per cent of 56.52m shares voted in order to win the day. "There is no question: the resolution failed," says Mr Chuck Shultz, Farmers' chief financial officer, because BAT only secured 48.5 per cent. But on Wall Street the prevailing view is that Farmers' claim that the motion failed is merely a desperate rearguard action by the increasingly beleaguered group.

For Ms Gillespie, a more urgent problem is the mounting local demands to deny regulatory approval for the bid. "That's the kind of pressure Roxani just doesn't need," says Mr Herbert Goodfriend, an analyst with Prudential-Bache Securities.

On May 27, Mr Alan Cranston, a veteran liberal Democrat and the state's senior US senator, came out against the bid in a letter to the California Insurance Department, arguing that a foreign company should not control the state's second largest property/casualty insurer - especially a foreign group like BAT with operations in South Africa. Last week the city council of Los Angeles - which has a large ethnic minority population - voted to urge the department to block the bid on similar grounds.

Nevertheless, there are reasons for BAT to be confident about winning the state's blessing. Not least is the fact that Ms Gillespie herself is a robust regulator used

laws which regulate insurance takeovers in the nine states where BAT has to gain approval are narrowly focused. Almost their sole aim is to protect policyholders by ensuring that a potential acquirer is financially solid.

So Farmers argues that BAT's financial ability to make such a huge acquisition could be jeopardised if the US tobacco industry loses any of the product liability suits being brought against it.

It also claims that BAT could not maintain the unique relationship between the group and its policyholders, who are grouped into three insurance exchanges for which Farmers acts as managing agent. "The exchanges don't want BAT," says Mr Shultz.

The third point made by Farmers is that BAT's financing arrangements are debt-driven, and might encourage it to milk policyholders to repay its borrowings. But Farmers stress on these issues only serves to illustrate why the Arizona ruling was such a blow - because the ruling's full text dismisses any suggestions that BAT cannot finance the acquisition or would endanger the exchanges.

But for the next ten days, the fate of the bid will lie with Ms Gillespie in Van Ness Avenue. "Wall Street is conspicuously quiet about the whole thing at the moment," says Mr Goodfriend. "People are just waiting to see what California says."



WE'VE CHANGED MORE THAN OUR LOGO.

Metal Box has undergone considerable change. The actions we have taken to streamline, strengthen and grow our operations are producing results. We shall continue to exploit profitable niche products and maintain market leadership in our selected core businesses. This vitality is now reflected in our new corporate style.

- To extend our activities internationally, particularly in Europe, the Americas and Asia Pacific.
- To achieve increasing real returns to our shareholders by growing our earnings per share and dividends.

Outlook

Business activity in the first few weeks of the current financial year is above the comparable period last year. The directors are confident that further growth will be achieved as the strategic policies of the group are implemented.

Year in brief	1988 £ million	1987 £ million	Percentage increase
Turnover	1239.3	1137.7	+ 8.9%
Profit before tax	94.1	82.2	+14.5%
Earnings per 25p share	23.4p	21.2p	+10.4%
Dividend - net	7.0p	5.75p	+21.7%

The focus of our group strategy is:

- To concentrate our efforts on strengthening and expanding our core business sectors:
 - Food and Beverage Packaging
 - Speciality Packaging and Engineering Systems
 - Heating and Bathroom Products
 - Cheque Printing and Business Forms.
- To maintain technological leadership and to provide excellence in customer service, design and quality.

Please fill in this coupon for a copy of the 1988 Metal Box Annual Report and send it to: The Company Secretary, Metal Box p.l.c., Queens House, Forbury Road, Reading RG1 3JH, or telephone: (0734) 581177.

The Report will be available from June 30th 1988.

Name _____

Address _____

Metal Box p.l.c.
THE HALLMARK OF EXCELLENCE

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GANDALF TECHNOLOGIES INC.
Incorporated under the laws of Ontario, Canada. Registered Number 0212229

INTRODUCTION TO THE OFFICIAL LIST

SHARE CAPITAL

The present issued share capital of Gandalf Technologies Inc. ("Gandalf") is as follows:

Common shares of no par value credited as fully paid and non-assessable 12,140,671

Gandalf designs, manufactures, markets and services a broad line of communications systems and software and hardware products for the information networking market.

Application has been made to the Council of The Stock Exchange for the admission to the Official List of 12,140,671 common shares of no par value in Gandalf. Details relating to Gandalf and the above shares are available in the statistical services of Exel Financial Limited. The sponsoring member firm is Smith New Court Agency Limited.

Copies of the listing particulars may be obtained until 10th June, 1988 from the Company Announcements Office, The International Stock Exchange, 46-50 Finsbury Square, London EC2A 1DD and during usual business hours on any weekday (Saturdays and Public Holidays excepted) up to and including 22nd June, 1988 from:

N M Rothschild & Sons Limited
New Court,
St Swithun's Lane,
London EC4P 4DU

Smith New Court Agency Limited
Chetwynd House,
24 St Swithun's Lane,
London EC4N 8AE

8th June, 1988

UK COMPANY NEWS

ATKINS

An industrial holding company with two major operating subsidiaries in the separate businesses of designing and manufacturing high-quality textiles and electronically controlled display systems.

HIGHLIGHTS FROM THE 1988 RESULTS

Pre-tax profits up 39% to £1.62m (1987: £1.16m)

Earnings per share up 44% to 28.36p (1987: 19.65p)

Dividend for the year up 25% to 10.0p per share (1987: 8.0p)

The current year's trading has commenced satisfactorily with orders for both the textiles and electronics businesses up on the record levels at the same time last year.

For a copy of the 1988 Annual Report, write after Tuesday 21st June to: The Secretary, Atkins Brothers (Hosiery) plc, Lower Bond Street, Hinckley, Leicestershire.

Hunterprint to fund new plant by £10.6m rights

BY PHILIP COGGAN

Hunterprint, specialist printing group, yesterday launched a £10.6m rights issue to fund the building of a brand new plant at Corby in Northamptonshire, and the purchase of three new high speed presses.

News of the one-for-five issue accompanied interim results which revealed a 27 per cent increase in pre-tax profits to £3.7m (£2.91m) in the 27 weeks to April 3. Sales were 11 per cent higher at £51.8m (£46.6m).

The new Corby plant, which will be fully operational in October 1989, will be constructed on an 11 acre greenfield site and will involve the closure of two existing units at Peterlee in Durham and at Eastleigh in Hampshire.

The move will eliminate around £1.25m of annual operating costs and will add 40 per cent to printing capacity. The total capital cost to the company will be £24m, and there will be addi-

tional relocation expenses of £4.5m to £5m, which will be treated as an extraordinary item. The rights issue, which is fully underwritten by Gresham Trust, will involve the issue of 3.5m ordinary shares at 300p each, a discount of 14 per cent to Monday night's closing price of 350p. The shares fell 10p to 340p yesterday.

The interim dividend is being increased 45 per cent to 3p (2.625p). Fully diluted earnings per share were some 25 per cent higher at 25.74p (21.62p).

comment

There are two schools of thought about Hunterprint's ambitious expansion plans. One camp believes that the company may be enlarging its capacity just at the time when the consumer boom is coming to an end. The result will be a fall in advertising revenue, a squeeze on pub-

lishers' costs, and a resulting price war in the printing industry which will be won by those with greater capacity than Hunterprint. This school argues that Hunterprint faces two years of sluggish earnings growth, and inevitable disruption when the move occurs; the shares are thus at best a long term gamble. The second, and more optimistic, school argues that both the publishing and printing industries are much more efficient and competitive nowadays; Hunterprint needs to make this investment to continue as a serious player. Shareholders may face slow earnings growth, say the optimists, but they have a 45 per cent dividend increase to sweeten the medicine. Short-term investors will probably take the pessimistic view; but long-term shareholders should take up their rights and back Hunterprint's management, which has an excellent record of investing to keep competitive.

CML up 31% and further growth seen

MR GEORGE GURRY, chairman of CML Microsystems, yesterday unveiled a £600,000 increase in profits to £2.52m pre-tax for the year to March 31 1988. The 31 per cent improvement was achieved on the back of a 25 per cent advance in sales to £8.52m.

The USM-quoted group, a manufacturer of integrated circuits, achieved higher sales in all of its principal market territories.

Mr Gurry said the present year had started well and that operational budgets pointed to a fur-

ther improvement in growth. For 1987-88 earnings rose by 2p to 8.76p and the dividend is being lifted to 1.4p (1.1p). After capital expenditure of £600,000 and start-up costs at Florida-based Microsense cash reserves increased to £3.2m.

Oriflame rises to £9m and gains from sale of Goldsmiths

BY FIONA THOMPSON

Oriflame, the Swedish cosmetics group listed on the London stock market, yesterday reported pre-tax profits of £5.4m on sales of £110.76m for the 15 months to March 31, 1988.

As these results cover a 15-month period, following the company's change of year end, exact comparisons are not possible. However, pre-tax profits on a 12 month basis to December 31, 1987 were £8.57m compared with £7.41m the previous year. On the same basis turnover was £85.67m (£59.35m).

Further complicating the figures was a net gain of £17.11m due to the sale in March of the Goldsmiths retail jewellery chain which Oriflame bought just one year earlier.

Under UK accounting standards the £17m would have been regarded as an extraordinary item and consequently below the line. But Oriflame has for 10 years been using international accounting standards, as set out by the EC, which do not recognise extraordinary or exceptional items - using only the category "unusual items" which are always above the line. On this basis Oriflame's pre-tax profits were £26.52m. However, according to chairman Mr Jonas at Jochnick, the company excluded the unusual item for all comparative purposes, including the end of year dividend. A final dividend of 6.5p earnings per share and dividends was declared, making a total for the 15 month period of 6.5p.

unusual but very successful one for us," Mr de Jochnick said. The direct sale cosmetics operations returned the best growth year ever, with operating profit up 41 per cent to £8.12m on the December to December basis. The Scandinavia, Benelux, Spain, US and Far East operations also did particularly well. For the 15 months the profit was £9.06m.

Jewellery operations reported an operating loss of £97,000 to December 31, down from the previous year's £176,000 loss. However, for the 15 months the deficit was £489,000.

The company has decided, since the Goldsmiths affair, not to proceed with further expansion of jewellery operations outside Scandinavia. Oriflame originally bought Goldsmiths within intention of expanding within Britain through acquisition, "but the UK jewellery market had become a battle between giants - Next and Batters snatched away all the acquisitions."

The purchase of Goldsmiths led to a £3.3m interest charge for the 15 months. At December 31 the charge was £3m, against interest received of £1.46m last time.

Tax took £741,000 for the 15 months, up from £634,000 to December 31 (£920,000). Earnings per share were 17.5p for 15 months, 16.7p to December 31. A final dividend of 6.5p earnings per share and dividends was declared, making a total for the 15 month period of 6.5p.

Antipodean expansion for Select Appointments

BY DAVID WALLER

Select Appointments, a recruitment consultancy which joined the USM in May last year, is to double in size with the acquisition of Morgan & Banks Group, Antipodes-based executive recruitment consultant.

The consideration is to be the lesser of £16.49m and eight times M & B's earnings for the year ending June 30, and will be satisfied 75 per cent in cash and the balance by the issue of new Select shares to the vendors, leaving them with a 6 per cent stake in the enlarged business.

The cash element of the purchase price is to be raised via a five for six rights issue at 160p a share, against yesterday's opening price of 153p. The issue has been underwritten by Barclays, de Zoete Wedd.

Mr Robert Klapp, Select chairman, explained that the two companies were complementary insofar as Select has hitherto concentrated on general recruitment in the UK and France, whereas M & B has a niche at the "executive search" end of the market in Australia and New Zealand.

Both companies are intent on geographical diversification and it is intended that M & B's management will promote Select's

generalist business in the Antipodes whilst Select will help M & B open offices in Europe. Mr Andrew Banks and Mr Geoffrey Morgan, M & B's anonymous founders, will join the Select board.

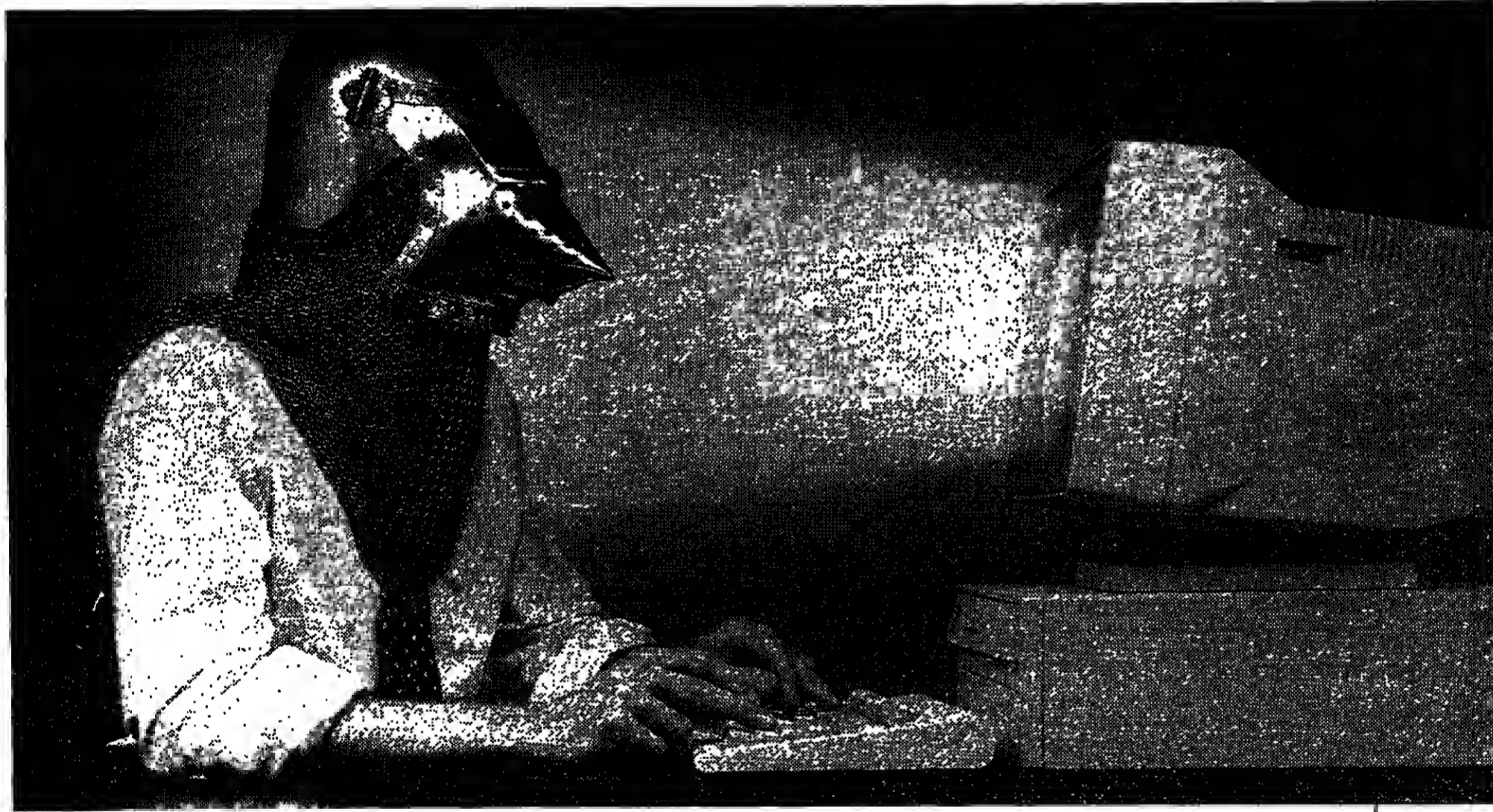
Established in 1985, Select has grown rapidly in terms of both turnover and profits. Sales have risen from £4.9m in 1984-85 to £20.9m in the year to June 30 last year; pre-tax profits have risen from £766,000 to £1.66m over the same period. M & B has forecast that pre-tax profits for the year to the end of June will be no less than £3.78m (£3.96m).

Select recently announced pre-tax profits of £1.91m for the year to April, a 62 per cent increase over the previous period despite problems at the French subsidiary. Turnover for the year rose by 83 per cent to £18.7m.

Mr Zach Miles, currently a partner in Arthur Andersen & Co, the accountancy firm, is to join Select as finance director. Mr Klapp will retain his position as chairman and chief executive.

Select shareholders will be asked to approve the acquisition at an extraordinary meeting scheduled for June 23. Dealings in the new shares are expected to begin on the following day.

The 27% drop in UK equity prices left many fund managers and institutional investors in exposed positions. It made them acutely aware of the need to protect their portfolios and manage their exposure to risk. The flexibility of traded options in the key



YOU MUST FEEL A BIT *Vulnerable* IF YOU'RE NOT USING TRADED OPTIONS

role of controlling risk is second to none. Whichever direction the market is heading, you are able to hedge your securities or cash rather than assume the risk of adverse price movements. Options are also one of the best ways to out-perform the market, as many companies and financial institutions have found. Investors can enhance income by writing options against existing stock inventories and investment portfolios. The dramatic upsurge in the use of traded options has made the LTOM the fastest growing equity derivative products market outside the USA, and Europe's leading traded options market. In fact, more options were traded on the LTOM last year than in the previous nine years put together, and the range of opportunities is constantly growing. Today, it's unique in trading options on about 60 leading UK equities, plus the FT-SE 100 index, gilt edged stocks, currency options and three French equity options. The latter are but an hors d'oeuvre

to the plans for the International expansion of the LTOM after the success of its first ten years. So why not learn how to use traded options with confidence yourself? Simply send for our brochure 'A GUIDE TO OPTIONS' and details of the LTOM video, the options analysis and pricing diskette, and the various training courses. Expert assistance is also available on this information line: 01-628 1054.



In Shops on target

In Shops, a shopping centres company, announced pre-tax profits of £1.3m for the year ended March 31 1988 and will pay its forecast maiden dividend of 0.3p.

The company, which came to the market in January, operates 24 retail centres occupied by more than 1,300 retailers. Profit compared with £1.2m forecast and with £220,000 made in 1986-87, and came from a turnover of £8.25m (£8.93m). Earnings were 4.3p (3p).

The current year had started well, said Mr David Newman, chairman, and further substantial growth was anticipated.

Brazil Fund SA

As of 1 June 1988, all activities of European Overseas Issuing Corporation SA, established in Luxembourg, with regard to Brazil Fund SA have been taken over by NMB Depository Company B.V., a subsidiary of NMB Bank, established in Amsterdam.

This change has been approved by Brazilian Capital Services Limited, the Shareholders Representative.

Information about the conversion of the present BDR's issued by EOIC in Brazil Fund SA will be provided in due course.

Amsterdam, 1 June 1988
NMB Depository Company B.V.

Luxembourg, 1 June 1988
European Overseas Issuing Corporation SA

CASSA DI RISPARMIO DELLE PROVINCE LOMBARDE
ECU 15,000,000
6 7/8% Depository Receipts due 1990 (the "Receipts")
Further notice is given to the holders of the above-mentioned Receipts that the following Receipts have been drawn by lot to satisfy the mandatory repayment requirement due on 15th June 1988 amounting to ECU 5,000,000. RECEIPTS DRAWN: - Nos 382 to 381 inclusive.
Payment of the principal amount of the receipts together with interest accrued to 15th June 1988 will be made upon presentation of the Receipts with all unreturned Coupons attached, at the office of either of the following Paying Agents:
Principal Paying Agent: Banque Paribas (Luxembourg) S.A.
Paying Agent: Morgan Guaranty Trust Company of New York.

Notice Nationale-Nederlanden N.V., established at Delft, The Netherlands Warrants-1976

Holders of Warrants-1976 are requested to take note of the fact that pursuant to Trust-agreement II (Warrants) the period during which the option to acquire Bearer Depository Receipts representing shares in the company can be exercised will expire on June 14, 1988. Warrants for which the option has not been exercised by the submission of a written declaration to that effect to the head-office of the Amsterdam-Rotterdam Bank N.V. in Amsterdam before or on June 14, 1988, will be void and of no value as from that date. Holders of warrants are recommended to contact their bank or stockbroker as soon as possible.



1888-1988

A CENTENARY EVENT FOR READERS OF THE FINANCIAL TIMES

THE QUEEN ELIZABETH II CONFERENCE CENTRE WESTMINSTER, LONDON

7, 8 & 9 JULY, 1988

As part of its Centenary year, the Financial Times is pleased to announce **Personal Investment 1988**. An Exhibition for those seriously interested in investment, it will provide an opportunity for its readers to discuss their individual personal financial planning requirements and take part in the exciting programme of events that will contribute to this celebratory occasion.

for you and a guest, a catalogue and the opportunity to visit the FT Centenary Photographic Display and a special show of paintings by the New English Art Club.

Those attending the Exhibition will also be able to register for any of the associated conferences, workshops and events listed below. At £10.00, the cost of each is attractively low but numbers are restricted and early booking is essential.

Entry to the Exhibition costs £5.00 which includes a ticket

PROGRAMME OF EVENTS

Thursday, 7 July
10.00 - 13.15 **OPENING CONFERENCE - CAPITAL PROTECTION AND GROWTH**
Financial planning for men and women in late career and at retirement.
Sir Mark Weinberg
Chairman, Allied Dunbar Assurance
Deputy Chairman, Securities & Investments Board
Gordon Pepper
Director & Senior Adviser, Midland Mortgage
Alan Kelly
Partner, Grant Thornton
Author, 'Financial Planning for the Individual'
John Patterson
Director, National Savings
Michael Pich, CBE
Former Director, Noble Lowndes
Former Chairman, NAPP

14.00 - 17.15 **PERSONAL FINANCIAL PLANNING AFTER THE 1988 BUDGET**
An overview of the income and capital changes in the most recent Lawson Budget and suggestions on the financial and investment decisions that follow.
Lord Bruce Gardyne of Kirkcaldy
Former Economic Secretary to the Treasury
David Stewart
Senior Tax Partner, Deloitte Haskins + Sells
John Chown
J F Chown & Co
Hugh Blakeway Webb
Tax Partner, Deloitte Haskins + Sells

18.00 - 20.30 **PERSONAL PENSIONS**
A subject of immediate importance to men and women in employment as the new pensions regime takes effect in July. An authoritative panel looks at the risks and possible rewards of leaving employer-run schemes.
Dryden Gilling-Smith
Managing Director, EBS Management
Maurice Oldfield
Former President, NAPP
Group Pensions Executive, Allied Lyons
Robert Ashurst
Partner, R Watson & Sons
An Insurance Company speaker to be announced

19.00 - 19.30 **INVESTING IN GOLD**
Should gold play a bigger part in the portfolios of British investors? A distinguished panel will answer the question and discuss how to proceed.
Robert Guy
Director, N M Rothschild & Sons
Julian Baring
Gold Specialist, James Capel
Anthony Garrett
Deputy Master & Comptroller, The Royal Mint

Friday, 8 July
10.00 - 13.15 **CAPITAL PROTECTION AND GROWTH FOR DIRECTORS AND SENIOR EXECUTIVES**
Personal investment strategies for men and women at the top of companies and with businesses of their own.
The Rt Hon Cecil Parkinson, MP
John Forsyth
Director, Morgan Grenfell
Barry Riley
Investment Editor, Financial Times
Tony Vernon-Harcourt
Author, 'Charterhouse Guide to Top Management Remuneration'
Dryden Gilling-Smith
Managing Director, EBS Management

10.00 - 13.15 **WORKSHOP FOR EXPATRIATES**
A special workshop on the requirements of men and women living abroad.
Peter Gartland
Editor, 'The Internationalist'
Peter Donne Davis
Managing Director, Abbey National (Overseas)
John Crittenden
Manager, Expatriate Services, Lloyds Bank
Donald Elkin
Director, Wilfred T Fry (FPF)

14.00 - 17.15 **ALTERNATIVE INVESTMENTS**
An examination of areas of interest to collectors including discussions of market trends by Sotheby's directors, chaired by one of the principal contributors to the BBC Antiques Road Show.
Lecturers: **Simon Taylor**
Christopher Payne
David Bennett
David Battle

18.00 - 19.30 **SOTHEBY'S WINE TASTING**
This is a fascinating opportunity to join a tutored tasting of investment quality wines. Numbers are limited and early application is essential.
Tutor: **David Molyneux-Berry MW**
Head of Sotheby's Wine Department
Introduced by: **Edmund Penning - Rowse**
FT Wine Correspondent

17.00 - 18.30 **REVIEWERS' EVENING**
Offered on a complimentary basis to a limited number of readers, this distinguished panel will be chaired by the FT Literary Editor.
Contributors: **Tony Curtis**
Francis King
Rachel Billington

Saturday, 9 July
10.00 - 13.00 **CAPITAL PROTECTION AND GROWTH FOR THE YOUNGER INVESTOR**
Designed for men and women planning an investment strategy for the longer term.
Richard Lambert
Deputy Editor, Financial Times
David Battle
Director, Sotheby's
John Brennan
FT Property Correspondent
Hugh Llewellyn
Bailey Shatkin
Speaker on Personal Pensions to be announced

14.00 - 17.15 **INTRODUCTION TO INVESTMENT**
The Stock Exchange and its three markets, unit linked investments, high street developments and investor protection are among the subjects to be covered.
John Edwards
Personal Finance Editor, Financial Times
Mark Boléat
Director-General, Building Societies Association
Daniel O'Shea
Director, M & G Investment Management
Author, 'Investing for Beginners'
Ian Morrison
Group Corporate Affairs Director, Midland Bank
Colin Chapman
Editor, Financial Adviser
Speaker from The Stock Exchange invited

14.30 - 17.00 **"HOW TO SPEND IT"**
An afternoon with:
Lucia van der Post
(with a lot of help from Harrods).

11.00 - 12.30 **TASTING OF PINK CHAMPAGNE**
Two tutored tastings of pink champagne with sparkling examples from leading houses.
Tutor: **Robert Joseph**
Publishing Editor, 'Wine' Magazine

EVENING CRUISE TO GREENWICH AND SYMPHONY CONCERT
A limited number of tickets are available, at £20.00 each, for a boat trip from Westminster to Greenwich for a symphony concert by the NCOs Symphony Orchestra with Anna Stelger as soloist and with the German conductor Volker Wangerhalm.
Programme: Wagner
R Strauss
Dvořák
Bizet
Granados
Overture Rheni
Oboe Concerto Soloist: Donovan Rihue
Song to the Moon and Rusalka
Carmen: Suite and Michael's Aria
The Lover and the Nightingale from Goyescas
Musorgsky arr. Ravel Pictures at an Exhibition
The National Centre for Orchestral Studies has been favourably reviewed by the FT and the NCOs is moving into its new home in Greenwich Borough Hall. Return transport is provided.

A FINANCIAL TIMES CENTENARY EVENT GROUP SPONSOR: Midland Bank plc ASSOCIATE SPONSOR: The Royal Bank of Scotland plc

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We shall attend the Personal Investment Exhibition and wish to register for the following events.
(Please enter the number of tickets required in the boxes below)

THURSDAY, 7 JULY	<input type="checkbox"/> @ £10.00 = £	FRIDAY, 8 JULY	<input type="checkbox"/> @ £10.00 = £
OPENING CONFERENCE - CAPITAL PROTECTION AND GROWTH	<input type="checkbox"/> @ £10.00 = £	CAPITAL PROTECTION & GROWTH FOR DIRECTORS & SENIOR EXECUTIVES	<input type="checkbox"/> @ £10.00 = £
PERSONAL FINANCIAL PLANNING AFTER THE 1988 BUDGET	<input type="checkbox"/> @ £10.00 = £	WORKSHOP FOR EXPATRIATES	<input type="checkbox"/> @ £10.00 = £
PERSONAL PENSIONS	<input type="checkbox"/> @ £10.00 = £	ALTERNATIVE INVESTMENTS	<input type="checkbox"/> @ £10.00 = £
INVESTING IN GOLD	<input type="checkbox"/> @ £10.00 = £	SOTHEBY'S WINE TASTING	<input type="checkbox"/> @ £10.00 = £
	SUB TOTAL	REVIEWERS' EVENING	<input type="checkbox"/> FREE

SATURDAY, 9 JULY

CAPITAL PROTECTION & GROWTH FOR THE YOUNGER INVESTOR	<input type="checkbox"/> @ £10.00 = £
INTRODUCTION TO INVESTMENT	<input type="checkbox"/> @ £10.00 = £
"HOW TO SPEND IT"	<input type="checkbox"/> @ £10.00 = £
TASTING OF PINK CHAMPAGNE	<input type="checkbox"/> @ £10.00 = £
	<input type="checkbox"/> 11.00 OR <input type="checkbox"/> 14.00
EVENING CRUISE AND SYMPHONY CONCERT	<input type="checkbox"/> @ £20.00 = £
PLUS EXHIBITION ENTRY	<input type="checkbox"/> @ £ 5.00 = £

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CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Sterling quietly stronger

STERLING regained some of its attraction yesterday and finished towards the best level of the day. Its exchange rate index rose to 76.5, having started at 76.4. This was up from Monday's close of 76.3.

The dollar finished a little weaker yesterday at DM1.7150 from DM1.7165 and Y126.70 compared with Y126.10. Elsewhere it slipped to SF1.4290 from SF1.4320 and FF1.7925 against FF1.8000. On Bank of England figures, the dollar's exchange rate index fell from 94.0 to 93.6.

On Monday, but drifted a little during the afternoon to finish at FF1.7975. The French franc ended slightly firmer against its EMS partners, reflected in a small improvement against its European currency unit central rate.

Frankfurt traders initially seemed to slurge off the effects of Monday's comments by Mr Karl Otto Poehl, Bundesbank president - which stressed an official desire not to see a weaker D-Mark. Despite this and confirmation that the Bundesbank had sold around \$2bn late in May, the dollar managed to recover from a slightly weaker start.

Some dealers suggested that the D-Mark's recovery may have a little overdone over the past week, and that yesterday's movement was more of a correction. However dollar selling regained the upper hand during the afternoon, and the dollar surrendered its earlier gains. West German manufacturing orders remained provisionally unchanged in April from March, and had no effect on trading.

FINANCIAL FUTURES

Waiting for US trade data

STERLING CONTRACTS improved steadily in yesterday's life market, encouraged by the pound's firmer trend and a small decline in cash rates. Three-month sterling deposits for September delivery finished just one tick off the day's high at 90.61, up from 90.50 at the opening and 90.48 on Monday.

However with resistance expected around the 90.63 level and the proximity of April's US trade figures, activity over the next few days was expected to decline.

Dealers were divided as to whether UK base rates would rise to 9 p.c. or fall back to 8 p.c. Base rates with a half point in not need to stick around for long, one dealer added.

Much will depend on the size of April's US trade deficit. At the moment sterling is being used as a parking lot for funds. There are no important figures due until the third week of the month, and until then the pound is regarded as a safe, neutral place.

However if US trade data are better than expected, then upward pressure on the dollar would draw funds out of sterling and probably provide an opportunity to push base rates up to 9 p.c. On the other hand, a poor number, combined with recent rises in UK rates, could enhance the pound's attraction and force rates down again.

One dealer stressed that there was too much speculative risk ahead of the figures, which was keeping many people on the sidelines.

EUROPEAN OPTIONS EXCHANGE

Table with columns for Symbol, Bid, Ask, and other market data for various European options.

TOTAL VOLUME IN CONTRACTS

Summary table showing total volume in contracts for different categories.

BASE LENDING RATES

Table listing base lending rates for various banks and currencies.

5 IN NEW YORK

Table showing market data for New York.

STERLING INDEX

Table showing the Sterling Index over time.

CURRENCY RATES

Table showing currency rates for various countries.

CURRENCY MOVEMENTS

Table showing currency movements and changes.

OTHER CURRENCIES

Table showing rates for other currencies.

EMS EUROPEAN CURRENCY UNIT RATES

Table showing EMS European Currency Unit rates.

POUND SPOT-FORWARD AGAINST THE POUND

Table showing pound spot and forward rates.

DOLLAR SPOT-FORWARD AGAINST THE DOLLAR

Table showing dollar spot and forward rates.

EURO-CURRENCY INTEREST RATES

Table showing Euro-currency interest rates.

LONDON (LIFED)

Table showing London market data.

CHICAGO

Table showing Chicago market data.

NEW YORK

Table showing New York market data.

FT LONDON INTERBANK FIXING

Table showing FT London interbank fixing rates.

MONEY RATES

Table showing money rates.

NEW YORK

Table showing New York market data.

LONDON RATES

Table showing London market rates.

Advertisement for Forward Trust Treasury Services, featuring a large image of a telephone and text: 'THE CORPORATE INVESTOR'S PHONE CHECK LIST'.

MONEY MARKETS

Rates fall back

INTEREST RATES eased in London yesterday. Three-month interbank fell back to 8 1/2 p.c., remaining above the new bank base rate level of 8 p.c., but well below the peak of 9 1/2 p.c. touched on Monday.

Sterling's rise of nearly 1 cent against the dollar, and its better performance against the D-Mark, helped create better sentiment on the London money market.

UK clearing bank base lending rate 8 1/2 per cent from June 8.

Trading was nervous however, with dealers not convinced that rates will hold at the present level.

The pound's recovery highlights the main problem for the Government, in its wish to stem credit growth and keep inflation in check.

These were more than offset by Exchequer transactions which added \$400m and banks' balances brought forward \$50m above target. In addition there was a fall in the note circulation of \$10m.

The forecast was revised to a flat position at noon, and the Bank gave no assistance before lunch or in the afternoon.

In Frankfurt call money was sharply higher, touching 3.50 p.c. at one point from 3.25 p.c. on Monday. Strong demand for short term funds was generated by a run down in banks' minimum reserve holdings with the Bundesbank.

Liquidity was drained as banks were faced with large tax payments on behalf of corporate clients and also settlement of bids on DM2.08bn of two-year Treasury discount paper.

Liquidity levels were also being affected by the Bundesbank's support action for the D-Mark.

However the rise in rates was seen by most traders as being a temporary affair. In New York the Federal Reserve added Treasury reserves to the banking system via \$1.5bn of customer repurchase agreements, when Federal funds were trading at 7 1/2 p.c.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Trust Mgrs, Abbey Unit Trust Mgrs Ltd, and others, including their names, addresses, and contact information.

Main table of unit trusts with columns for Name, Address, and other details. Includes entries like Abbey Unit Trust Mgrs, Abbey Unit Trust Mgrs Ltd, and many others.

I.G. INDEX LTD, 9-11 GROSVENOR GARDENS, LONDON SW1W 0BD. Tel: 01-828 7233/5699. Reuters Code: IGIN, IGI0.

JOTTER PAD: FT CROSSWORD No. 6,650 SET BY VIXEN. Includes a crossword puzzle grid and clues.

ACROSS and DOWN crossword clues. Includes clues like 'Used to get rebellious when put out (6)', 'The crook almost tripped over (7)', etc.

Continuation of the unit trust information table, listing various trusts and their details.

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هنگامه اقتصادی

FT UNIT TRUST INFORMATION SERVICE

Table listing various UK Unit Trust Managers and their associated funds, including details like fund names and performance metrics.

Table titled 'OTHER UK UNIT TRUSTS' listing additional unit trust funds and their details.

Table titled 'INSURANCES' listing various insurance companies and their services.

Table listing financial data for various unit trusts, including fund names and numerical values.

Table listing financial data for various unit trusts, including fund names and numerical values.

Table listing financial data for various unit trusts, including fund names and numerical values.

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Table listing financial data for various unit trusts, including fund names and numerical values.

Table listing financial data for various unit trusts, including fund names and numerical values.

Continued on next page

FT UNIT TRUST INFORMATION SERVICE

Main table containing various unit trusts, their performance metrics, and management services. Includes sections for Prudential Life Assurance Co Ltd, Scottish Life Assurance Co Ltd, Standard Life Assurance Co Ltd, and others.

OFFSHORE INSURANCES

OFFSHORE AND OVERSEAS

UK LISTED

MANAGEMENT SERVICES

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FT UNIT TRUST INFORMATION SERVICE

LONDON SHARE SERVICE

Handwritten note: "هذا صحت التحويل"

OTHER OFFSHORE FUNDS

Table listing various offshore funds with columns for fund name, date, and price. Includes categories like 'Other Offshore Funds', 'Asian', 'Latin America', etc.

Capital Investment Management Ltd

Table listing funds managed by Capital Investment Management Ltd, including 'Capital Investment Management Ltd' and 'Capital Investment Management Ltd'.

Global Asset Management Corp

Table listing funds managed by Global Asset Management Corp, including 'Global Asset Management Corp' and 'Global Asset Management Corp'.

International Growth Fund

Table listing funds managed by International Growth Fund, including 'International Growth Fund' and 'International Growth Fund'.

International Growth Fund

Table listing funds managed by International Growth Fund, including 'International Growth Fund' and 'International Growth Fund'.

British Funds

Table listing British funds with columns for fund name, date, and price. Includes categories like 'British Funds', 'British Funds - Cont'd', etc.

British Funds - Cont'd

Table listing British funds (continued) with columns for fund name, date, and price.

Foreign Bonds & Rails

Table listing foreign bonds and rails with columns for fund name, date, and price.

Americans

Table listing American funds with columns for fund name, date, and price.

Footnote: "NOTES: This table is based on information from the fund companies. It is not intended to be a substitute for the fund prospectus. The fund companies are not responsible for the accuracy of the information in this table." (Note: This text is a placeholder for the actual footnote content.)

هكذا صدق القول

LONDON SHARE SERVICE

LEISURE - Contd

Table of stock prices for Leisure companies including Leisure Group, Leisure Leisure, Leisure Leisure, etc.

PAPER, PRINTING, ADVERTISING - Contd

Table of stock prices for Paper, Printing, Advertising companies including Paper, Printing, Advertising, etc.

TEXTILES - Contd

Table of stock prices for Textiles companies including Textiles, Textiles, Textiles, etc.

TRUSTS, FINANCE, LAND - Contd

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

DIL AND GAS - Contd

Table of stock prices for Dil and Gas companies including Dil and Gas, Dil and Gas, etc.

MINES - Contd

Table of stock prices for Mines companies including Mines, Mines, Mines, etc.

MOTORS, AIRCRAFT TRADES

Table of stock prices for Motors, Aircraft Trades companies including Motors, Aircraft Trades, etc.

PROPERTY

Table of stock prices for Property companies including Property, Property, Property, etc.

TOBACCO

Table of stock prices for Tobacco companies including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders companies including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of stock prices for Plantations companies including Plantations, Plantations, etc.

Commercial Vehicles

Table of stock prices for Commercial Vehicles companies including Commercial Vehicles, Commercial Vehicles, etc.

PROPERTY

Table of stock prices for Property companies including Property, Property, Property, etc.

TOBACCO

Table of stock prices for Tobacco companies including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders companies including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of stock prices for Plantations companies including Plantations, Plantations, etc.

Garages and Distributors

Table of stock prices for Garages and Distributors companies including Garages and Distributors, Garages and Distributors, etc.

PROPERTY

Table of stock prices for Property companies including Property, Property, Property, etc.

TOBACCO

Table of stock prices for Tobacco companies including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders companies including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of stock prices for Plantations companies including Plantations, Plantations, etc.

NEWSPAPERS, PUBLISHERS

Table of stock prices for Newspapers, Publishers companies including Newspapers, Publishers, etc.

PROPERTY

Table of stock prices for Property companies including Property, Property, Property, etc.

TOBACCO

Table of stock prices for Tobacco companies including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders companies including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of stock prices for Plantations companies including Plantations, Plantations, etc.

PAPER, PRINTING, ADVERTISING

Table of stock prices for Paper, Printing, Advertising companies including Paper, Printing, Advertising, etc.

PROPERTY

Table of stock prices for Property companies including Property, Property, Property, etc.

TOBACCO

Table of stock prices for Tobacco companies including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders companies including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of stock prices for Plantations companies including Plantations, Plantations, etc.

SHIPPING

Table of stock prices for Shipping companies including Shipping, Shipping, Shipping, etc.

PROPERTY

Table of stock prices for Property companies including Property, Property, Property, etc.

TOBACCO

Table of stock prices for Tobacco companies including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders companies including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of stock prices for Plantations companies including Plantations, Plantations, etc.

SHOES AND LEATHER

Table of stock prices for Shoes and Leather companies including Shoes and Leather, Shoes and Leather, etc.

PROPERTY

Table of stock prices for Property companies including Property, Property, Property, etc.

TOBACCO

Table of stock prices for Tobacco companies including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land companies including Trusts, Finance, Land, etc.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders companies including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of stock prices for Plantations companies including Plantations, Plantations, etc.

NOTES
Stock Exchange dealing classifications are indicated to the right of security names...

REGIONAL & IRISH STOCKS
The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

TRADITIONAL OPTIONS
3-month call rates

Property
List of property-related stocks and their prices.

Mines
List of mining-related stocks and their prices.

Additional notes and information regarding the stock service.

LONDON STOCK EXCHANGE

Equities give ground in thin trading as takeover features dominate the scene

Account Dealing Dates
Option
First Declared Last Account
Deaths Sons Deaths Day
May 23 Jun 2 Jun 3 Jun 13
Jun 6 Jun 16 Jun 17 Jun 27
Jun 20 Jun 30 Jul 1 Jul 11

THE NEW-FOUND confidence of the UK stock market was checked yesterday when a rally in the pound took the shine off the international issues which have been leading the sector to higher ground. A couple of small portfolio selling programmes carried out by UK brokerage houses proved sufficient to push the market down in a patchy trading session. Government bonds managed small gains but once again lacked retail support.

There was no sign of any significant change of view towards equities by the major securities houses. However, several analysts commented that "higher interest rates cannot be good for equities". There is still doubt over the outlook for the pound, and, therefore, fears that UK rates may have to go up again. Meanwhile, the City was cautious over yesterday's rally in the UK currency.

The equity market sagged at mid-session but steadied before the close. Turnover in the international blue chips was light, ICI recording only 1.6m shares, Glaxo 2.4m and Becton 1.7m. The FTSE 100 Index closed 12.5 down at 1820.3, having moved briefly below the 1820 support mark. Seaq turnover of 557.4m shares (against 380.3m on Monday) caused market analysts to ask whether the increased volume on the downside indicated a bearish trend.

With turnover thin from the opening, the market over-reacted to the appearance of two minor sell programmes, which might have had less effect in a more buoyant market. There were suggestions that one marketmaker, unsuccessful in bidding for the portfolio business, adopted spoiling tactics against his successful rival.

The slackening of interest in the conventional blue chips was balanced by a fresh upsurge of speculative excitement elsewhere. With the food sector discouraged by Nestlé's announcement that it was extending its bid for Rowntree but not at present changing the terms, attention switched to other sectors.

The financial area was featured by Morgan Grenfell, although Deutsche Bank said it would not at present increase its stake in Morgan Grenfell. The suggestion of further restructuring in the financial services industry sent the rest of the sector higher.

Oil shares also sprang to life again, with BP regaining the market's attention. The latest round of acquisitions in the

energy industry has reminded speculators of the value of prospecting acreages to predators. The absence at this stage of any increase in Nestlé's bid for Rowntree irritated but did not dishearten the speculators who have built up stakes in the UK chocolate firm. Higher terms from Nestlé are still expected fairly shortly.

Rowntree shares unchanged at 10 1/2, with turnover still curtailed by the stakes securely held by the two Swiss predators. The London market is convinced that either Rowntree will negotiate a final bid price with one of its two predators, or that Nestlé and Suchard may agree between themselves to dismember the UK chocolate group.

Cadbury Schweppes were less active than recently, easing 10 to 389p on 4.1m shares as the market lamented the absence of a statement from the General Cinema team, known to have visited London this week.

Government bonds flicked higher with sterling but the absence of retail support suggested that the sector is still unsure what view to take of the latest developments in the domestic interest rate/currency situation. As the long end gains were no more than 1/4 and traders had little to occupy themselves, LAMSO turnover of 16 to 452p with 4.5m traded.

Morgan Grenfell shares spiralled upwards again, closing 42 higher at 945p, as stories of imminent takeover moves grew stronger. Yesterday's rumours suggested that a near disclosure stake in the bank has been built up by US group Goldman Sachs and that an eventual merger between the two groups, and another - Hoare Govett was mentioned as a possibility - could take place. The "takeout level" for Morgan was said by one dealer to start at 500p a share.

The market was also alive with talk that a "white knight" could well emerge in the form of Deutsche Bank, which holds a near 5 per cent stake, or Lloyds Bank. Lloyds shares held at 300p after turnover of 1.6m. Deutsche Bank was, however, moved to comment: "We have no intention at present of increasing our stake in Morgan Grenfell from its current level." The firm performance of Williams Baker, up 3 at 257p, which has a near 21 per cent stake in Morgan gave added impetus to the takeover rumours.

The bid fever swirling around Morgan Grenfell spilled over into other merchant banks with major securities operations. Kleinwort Benson said by traders to be

FINANCIAL TIMES STOCK INDICES
Table with columns for Date (June 7-8), Indices (Government Sec, First Interest, Ordinary, Gold Mines, etc.), and Daily High/Low.

LONDON REPORT AND LATEST SHARE INDEX: TEL. 0898 123001
Table with columns for Opening, 10 a.m., 11 a.m., 12 p.m., 1 p.m., 2 p.m., 3 p.m., 4 p.m.

completion of a major buying order carried out in recent days. In brokers Sturge dipped 6 to 313p after reporting disappointing interim figures. CE Heath, reporting preliminary figures today, lost 3 to 416p.

GSC featured a turnover of 6.2m shares with one trade of 2.7m at 148 1/2 thought to have represented a "bed and breakfast" deal. Otherwise the sector was untried, but Raal slipped back 8 to 313p on profit-taking despite revealing 21m worth of contracts to supply tactical radio equipment.

Energy stocks continued to lack sparkle. Bass surprised most dealers with its agreed bid for Zetters Leisure, but the small amount of capital involved meant that the share price hardly moved before closing unchanged at 804p. Zetters shares came out of suspension and jumped 39 to close at 180p.

Allied Lyons continued to trade down in the wake of the Bond Corporation bid for Bell, ending the day 6 worse at 420p, while Guinness provided a bright spot and put on 6 to 333p. Market-makers said there were two large

NEW HIGHS AND LOWS FOR 1988
Table with columns for Stock Name, High, Low, and Date.

shares which lifted the market. Scottish & Newcastle disappointed its fans by dropping below 310p at one stage, before closing at that level. Bid hopes have faded, but analysts said there was still buying interest. Grand Metropolitan fell back 7 1/2 to close at 520p in response to speculation that "B" were a feature, with the spread widening to a pound as two buyers tried to trade in what one marketmaker described as "a market which has long been virtually bid-only".

After consultation with the Stock Exchange it was announced that the stock was to be reduced to gamma status as from today. Aronson, one of the largest office furniture manufacturers in the UK, featured with a jump of 22 to 189p in the wake of the company's announcement of a bid approach. The market found it difficult to pinpoint a likely predator. Hilldown was put forward as a possible candidate, but it was suggested that if an offer is made it may come from a company outside of the industry. A realistic takeover price was thought to be around the 180p level.

Lodge Care, which also found itself the subject of a bid approach, were similarly not subsequently drifted back to close at 158p. Myson, an old takeover favourite, moved ahead strongly to close 23 to the good at 221p, while further speculative demand left Nu-Swift up 7 more at 324p. Revived Robert Maxwell stake speculation left De La Rue 10 to the good at 39p, but Redfern, reflecting disappointment with the interim figures, met with selling and fell away sharply to close 28 lower at 458p.

Norcross rose to 391p after announcing preliminary figures in line with market expectations, but subsequently drifted back to close a shade better on balance at 385p. Fisons edged up a shade to 260p on the decision to apply for a Tokyo listing, while Skelchley, still responding to the annual figures, firmed 4 more to 397p.

The building sector claimed a fair amount of interest. Anec

spectacular turnover of 1.8m shares. Saatchi & Saatchi recovered some momentum after its recent triumph on Monday helped to lift the shares in good two-way business and they closed 9 better at 392p.

British Land stole the limelight in the Property sector, rising 16 to 389p following the announcement of annual profits of 156.4m (£30.1m) and a net asset value of 399p compared with 271p. Great Portland, up 7 at 322p, also improved after preliminary figures and a net asset valuation of 349p which was in line with most market expectations. Elsewhere, Priet Mariani firmed 10 to 385p as the chairman further increased his stake in the company to just over 24.5 per cent.

Turnover in the Traded Options Market expanded considerably with 17,582 calls and 12,023 puts giving an overall total of 29,605 contracts. BP attracted the biggest turnover with 894 calls recorded and 3,322 puts carried out, mostly in the July 260's of 29,615 contracts. BP attracted the biggest turnover with 894 calls recorded and 3,322 puts carried out, mostly in the July 260's of 29,615 contracts. BP attracted the biggest turnover with 894 calls recorded and 3,322 puts carried out, mostly in the July 260's of 29,615 contracts.

FIXED INTEREST
Table with columns for Index Name, Value, Change, and Date.

PRICE INDICES
Table with columns for Index Name, Value, Change, and Date.

TRADING VOLUME IN MAJOR STOCKS
Table with columns for Stock Name, Volume, and Date.

RISKS AND FALLS YESTERDAY
Table with columns for Index Name, Risk, and Date.

LONDON TRADED OPTIONS
Table with columns for Option Name, Calls, and Puts.

EQUITIES
Table with columns for Stock Name, Price, and Date.

FIXED INTEREST STOCKS
Table with columns for Stock Name, Price, and Date.

"RIGHTS" OFFERS
Table with columns for Stock Name, Price, and Date.

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WORLD STOCK MARKETS

Table of stock market data for various countries including Australia, Canada, Germany, France, Italy, Japan, and the UK. Columns include country, date, and various stock indices.

Table of stock market data for Canada, including Toronto and Montreal markets. Columns include stock names, prices, and changes.

Table of stock market data for Japan, listing various companies and their stock prices.

Table of stock market data for the UK, listing various companies and their stock prices.

Table of stock market indices for New York, Dow Jones, and other regional indices.

Advertisement for 'Have your F.T. hand delivered in Belgium' and 'Have your F.T. hand delivered in Norway', featuring the Financial Times logo and contact information.

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Main table containing stock prices, organized into columns with headers like '12 Month High', 'Low', 'Close', 'Change', and 'Open'. Includes various stock symbols and their corresponding prices.

NYSE COMPOSITE PRICES

AMEX COMPOSITE PRICES

Table of NYSE Composite Prices listing various stocks with columns for High, Low, and Change.

Table of AMEX Composite Prices listing various stocks with columns for High, Low, and Change.

OVER-THE-COUNTER

Table of Over-the-Counter prices listing various stocks with columns for High, Low, and Change.

Advertisement for Financial Times featuring the headline 'Have your F.T. hand delivered...' and contact information for Athens and Frankfurt.

AMERICA

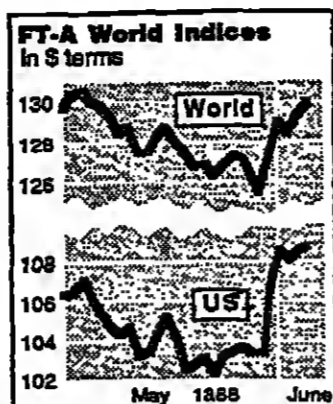
Equities hit by selling as bond market buckles

Wall Street

EQUITIES WERE hit by a wave of selling yesterday, tracking closely movements in the bond market which once again buckled under concerns about inflation...

A figure in this range is not likely to help the bond market build on last week's gains, particularly with a series of key economic releases due next week...

week, inflation as measured by the Commodity Research Bureau's futures index was ignored. However, with demand apparently having dried up this week, the CRB index has once again become a negative for bonds...



which will include a distribution of one third of the proceeds from anticipated asset sales of \$6bn to shareholders. This will be accomplished through a share buyback or other direct shareholder participation or distribution...

Canada

TORONTO share prices gave up earlier gains to close lower as falling gold issues depressed the market. The composite index, which had risen about 17 points in earlier trading, dropped 7.80 to 3322.80...

EUROPE

Bouts of profit-taking erode gains

PROFIT-TAKERS appeared around Europe yesterday, and most bourses closed lower after recent gains. Paris was active again on speculative buying and ended slightly higher in spite of afternoon selling...

London

THE STRONGER pound curtailed interest in recent international favourites KCL, Glaxo and Beasam, which saw light trading, and the FT-SE 100 index lost 12.5 to 1,820.3...

small sell programmes. Speculators appeared not to be disheartened, however, by the absence of a higher bid from Nestlé for confectioneer Rowntree, believing one is still in the pipeline...

BFr1,610 to BFr8,250 amid optimism about a possible return to profit this year and speculation that leading shareholders were seeking to increase their stake...

Calcestruzzi, also saw active trading, rising 1.801, or 9.2 per cent, to 19,500. A local press report said Ferruzzi was negotiating the sale of the offshoot to the Pesenti group, which owns Italcementi...

company said it would ask shareholders at its June 30 general meeting to approve a capital increase. In chemicals, Ciba-Geigy fell SFr70 to SFr3,180. The company's Zyma unit was ordered to remove its Catargen drug for liver disease from the Swiss market...

Local institutions were still in a nervous frame of mind following reports that the coalition Government of six years could break up. The ANP-CBS general index lost 1.5 to 249.5...

ASIA

Selling by wary investors interrupts Nikkei's advance

Tokyo

LATE SELLING dragged equities down for the first time in three sessions in Tokyo yesterday, although the Nikkei average exceeded 28,000 briefly for the second day running...

also reached its highest ever level, up 71 to ¥504. Stimulated by the strong performance of shipbuilders and steels, large-capital chemicals drew buying interest...

Cast Iron Works ¥57 to ¥1,010, while Osaka Soda plunged ¥60 to ¥1,550. Profit-taking took share prices slightly lower after Monday's gains, with the Hang Seng index closing off 0.26 at 2,587.02...

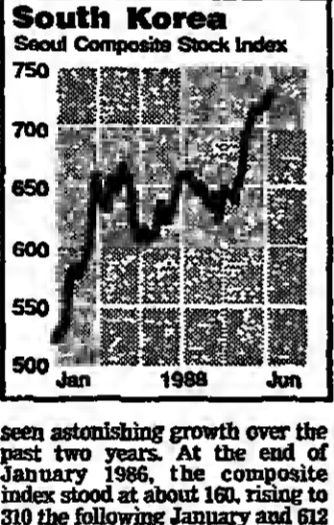
share prices closed down, although off their lows, after an active day of trading. Overnight falls in base metal prices, a weaker gold bullion price and Wall Street's uninspiring performance contributed to the fall...

rose 2 cents to A\$1.94. CRA closed steady at A\$8.90 on turnover of 2.2m shares. Investors sold for profit after an early rally and equities closed lower for the first time in 10 sessions...

Investors sold for profit after an early rally and equities closed lower for the first time in 10 sessions, with the Straits Times industrial index easing 3.93 to 1,031.15...

Maggie Ford on a test of market strength Seoul aims to digest giant issue with ease

FRIDAY promises to be a red letter day on South Korea's booming stock market. June 10, the first anniversary of the nation-wide demonstrations for democracy, is also the day set for the first privatisation of a leading state-owned company...



seen astonishing growth over the past two years. At the end of January 1986, the composite index stood at about 160, rising to 310 the following January and 612 in late January this year...

Another unfavourable factor was that the buying balance on margin trading, or stocks bought on credit, on the Tokyo stock exchange was reported to have receded a record level at the end of last week...

Osaka Securities Exchange prices held firm, with the 250-issue OSE stock average rising 34.15 to a record 27,795.53 - its eighth consecutive daily gain - on a turnover of 22m shares...

Private sector and foreign public bodies: 22,300; Belgian public sector: 1,258; Banks: 14,243. Results: Gross profit: 416; Provisions, depreciation, and tax: 17,861...

De Beers, the leading diamond stock, added \$1.55 to close at \$37.50. uncharged. Among leading golds Randfontein shed \$2 to \$262 and Driefontein was steady at \$34.25...

Most prices finished unchanged. Among leading golds Randfontein shed \$2 to \$262 and Driefontein was steady at \$34.25. Most prices finished unchanged.

SOUTH AFRICA

THE ABSENCE of any market-moving news led to a quiet day for equities in Johannesburg and gold stocks closed marginally lower in lacklustre trading...

unchanged. Among leading golds Randfontein shed \$2 to \$262 and Driefontein was steady at \$34.25. Most prices finished unchanged.

GENERALE BANK 1987 RESULTS UP

Generale Bank, with its registered office in Brussels, in the heart of Europe, is Belgium's Leading financial institution. Parent company and group results increased in 1987. Profits rose by 11.5% and 8.7% respectively after depreciation and provisions.

Table showing Balance Sheet Total, Sources of funds, Loans, Securities & other claims, Private sector and foreign public bodies, Belgian public sector, Banks, Results, Gross profit, Provisions, depreciation, and tax, and Group net profit for 1987 and 1986.

A NEW EUROPEAN DIMENSION.

Looking forward to 1992, Generale Bank entered into an alliance with Amro Bank in February 1988 with the aim of forming an integrated European banking group. Work is currently in progress on ways of achieving this objective.

Generale Bank logo and contact information: Montagne du Parc 3 - 1000 Brussels, Tel: (32-2)5162111 - Telex: (046+2)1283 or 61050

Table titled 'FT - ACTUARIES WORLD INDICES' showing National and Regional Markets for Tuesday June 7 1988 and Monday June 6 1988, including Dollar Index and various regional indices.